SUPPLEMENT TO

THE BOMBAY GAZETTE

BOMBAY :—MONDAY, MARCH 19, 1877.

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FINANCIAL STATEMENT, 1877-78.

Speech in the Legislative Council of His Excellency the Viceroy, by the Honourable Sir John Strachey, K.C.S.I., March 15th, 1877.

MY LORD; For the first time since 1872, a Statement regarding the Finances of British India is made before the public, and in this Council. During the last five years, no legislation has been proposed in connection with the Budget, and, under those circumstances, no Statement could have been made in the Legislative Council, without infringing the provisions of the Act of Parliament by which the Council was constituted. The Government is glad, on the present occasion, to be able to return to the practice which formerly prevailed.

I do not, however, propose to submit to the Council the whole of the details which explain the accounts of the Revenue and Expenditure and Receipts and Disbursements of 1875-76, and the Regular Estimates for 1876-77. They are more than usually voluminous, and it seemed desirable to keep them separate from my present Statement. The first year for which your Excellency as Viceroy is financially responsible is now about to commence, and this is the first opportunity which I have myself had, since I assumed my present office, of stating the opinions which I have formed. The time is especially fitting for making the examination of our existing financial position, and of the operations of the past and the present year, as complete as possible: but I could not do this without entering into a mass of details, which, however valuable and interesting they may be, would be out of place, and sometimes hardly intelligible, in a statement made orally to this Council. I have, therefore, thrown them into a separate Minute. It has been published to-day, and it is now in the hands of the Members of the Council. In it I have endeavoured to give the fullest information in my power regarding the Accounts and Estimates of the two years which are now about to close. I propose to give to the Council a brief summary only of some of the main results which that Minute shows, and to confine myself now for the most part to an explanation of the Estimates of the coming year; to a statement of the facts necessary for a clear understanding of our present position; to noticing some of the more important principles by which the Government of your Excellency proposes to direct its future financial policy; and to describing the measures by which we hope to improve the existing condition of affairs: some of those measures will require the sanction of this Council.

...ES IN THE FORM OF THE ACCOUNTS.

... before going further, quote from my ... explanation which is there given at ...gth. "The Abstract Statements ... ...nts of the Revenue and Expenditure of ... the Estimates of 1876-77 and 1877-78 differ in form from the Statements prepared during the last seven years.

"From the 1st April 1871, the Government of Lord Mayo entrusted to the management of the Local Governments and Administrations certain important services, with Consolidated Allotments from the Imperial Revenues for their support, and the revenues connected with these services were, at the same time, surrendered for provincial uses. It was thought inexpedient to retain in the Imperial Accounts and Estimates the details of the Revenue and Expenditure thus made over to the Local Governments: accordingly, since 1871-72, these transferred Heads of Revenue and Expenditure have been excluded from the General Estimates and Accounts, the whole transactions respecting them being represented there by a single net entry under the head *Allotments for Provincial Services*. The details thus omitted have been published in subsidiary statements, and each Local Government has given due publicity to its own Provincial Estimates and Accounts.

"The Government of India now sees reason to regret the method then employed, because, by this method, figures of interest and importance are relegated to subordinate Statements; the General Accounts and Estimates become incomplete; and the character of the arrangements between the Imperial and the Local Governments is not truly represented, nor their operation sufficiently illustrated. The Government of India has, therefore, resolved to re-introduce into the Imperial Accounts and Estimates all the details omitted therefrom since 1871-72. Thus, henceforth, any one desiring to ascertain the gross revenue and expenditure of British India, under the several recognised Heads of Account, will be able to do so from the General Accounts and Estimates. It seems to me that this will be an advantage, and that the re-combination of the Accounts of the Imperial and Provincial Governments into one Imperial Account will make the whole more intelligible, and enable both the Government of India to control the Revenue and Expenditure, and the public to criticise the Accounts, more effectually than heretofore."

I have one more preliminary remark to make. I ask the attention of the Council to the observations made in my Minute, regarding the use of Pounds sterling in our Accounts and Estimates: for the reasons there given, I came to the conclusion that it was better to state all the figures in Rupees, and I have done this in my detailed review of the Accounts of 1875-76 and of the Regular Estimates of 1876-77. In spite of the apparent inconsistency, I shall to-day usually speak to the Council of Pounds sterling, on the old assumption that the English pound is equal to ten rupees, because I shall thus make myself more readily intelligible to my audience; and, as the figures which I shall have to give will, for the most part, represent estimates only, exact accuracy is less important: it must, however, always be borne in mind that, when I speak of Pounds sterling, I am really using a conventional term of account, and that the Pound sterling of my Statement means ten rupees, a very different thing from the English pound.

The accounts of 1875-76 show a surplus on the ordinary account of £1,668,882. If the extraordinary expenditure on Public Works be included, this surplus becomes a deficit of £2,601,740.

In 1876-77 a deficit is expected on the ordinary account of £2,278,300. Including the extraordinary expenditure the deficit is £6,078,300. The result on the ordinary account is worse than the original estimate by £2,422,300. This is due to the famine in Madras and Bombay, which is now expected to cost in loss of revenue and in direct expenditure £5,250,000. Of this sum £3,100,000 belong to 1876-77, and £2,150,000 to 1877-78. If there had been no famine, there would be a surplus on the ordinary account of £624 800, which exceeds the original estimate by £480,800.

ESTIMATES, 1877-78.

I come now to the Estimates of *Revenue and Expenditure* in 1877-78, and the *Ways and Means* whereby it is proposed to make provision for the service of the year.

GENERAL ESTIMATES OF REVENUE AND EXPENDITURE AND RECEIPTS AND DISBURSEMENTS, 1877-78.

We estimate that the Revenues of 1877-78 will amount to £52,192,700 and the Expenditure to £56,442,400. Thus we expect a Deficit in 1877 78 of £4,249,700, of which, however, £3,628,000 has been granted for the construction of Extraordinary Public Works. Excluding this outlay, we expect a Deficit on the Ordinary Account of £621,700. We estimate the cost of the Famine in 1877-78 at £2,150,000.

EFFECT OF FAMINE ON ESTIMATES, 1877-78.

Thus it appears, *prima facie*, that, but for the Famine, our Estimates would show a Surplus of £1,528,300. I am obliged, however, at once to dispel the flattering impression that might be gathered from this statement, by the observation that one of the indirect consequences of the Famine is the reduction of the entry under the adjusting Head *Loss by Exchange* by an amount which I cannot estimate at less than £700,000. There would, however, be a set-off to this, if there were no Famine, in a lower charge for interest by perhaps £100,000. Thus I am led to think that, but for the Famine, our Estimates, as they stand, would have shown a surplus of £928,300. But this really represents the facts in too favourable a light, because the Expenditure on Extraordinary Public Works includes a sum of £1,296,300 to be spent on works which will not be remunerative, and which, as I shall explain further on, ought, therefore, in my opinion, to be looked on as ordinary: if these charges had been so treated, the estimated Surplus of £928,300 would have been converted into a Deficit of £278,028. It will also be seen, immediately, that I am estimating Opium at net £250,000 more than it was estimated for the current year, and also that the causes of apprehension in regard to the value of silver are unhappily by no means removed.

Still, making all allowances, these general results are decidedly encouraging. The expenditure on unremunerative public works has never been hitherto treated as an Ordinary Charge; and it is highly satisfactory that the Estimates of the year should give us reason to believe that our income will not only cover the whole of the charges which have always been classed as Ordinary, but will go far towards paying for those great public works which, although required for the service of the Empire, are not expected to be directly profitable.

The Famine is, altogether, so serious a disturbing cause that it seems hardly worth while to make general comparisons. However, I place together the Revenue and Expenditure of the three years as follows:—

	Revenues. £	Expenditure. £	Deficit. £
1875-76	52,515,789	55,117,536	2,601,747
876-77, Regular Estimate...	51,206,700	57,285,000	6,078,300
1877-78, First Estimate	52,192,700	56,442,400	4,249,700

	Excluding Public Works Extraordinary. £	Excluding Public Works Extraordinary and Famine. £
		Surplus.
1875-76 ..... Surplus	1,668,882	2,177,437
1876-77, Regular Estimate... Deficit	-2,278,300	624,800
1877-78, First Estimate ..... Deficit	621,700	928,300

I. LAND REVENUE shows an improvement, compared with the Regular Estimates, of £934,500, but is still below the Original Estimates of 1876-77 by £441,400. Elsewhere than in *Madras* and *Bombay*, there is a small improve-

ment of £3,300 compared with last year's Estimates. The loss, therefore, is entirely caused by the Famine, which is expected by the Local Governments to affect their Land Revenue adversely, in 1877-78, by £495,100.

II. TRIBUTES.—Compared with the present year's Original Estimates, the decrease is only £2,100, which is owing to the postponement of the Nowanagar Tribute in Bombay on account of the Famine.

III. FOREST shows a decrease of Revenue, compared with the Regular Estimates, of £32,800 and a decrease of charge amounting to £20,600: he decrease of Net Revenue is thus £12,200. It occurs in *Burmah*, where we cannot depend: upon a continuance of the high Revenue of the present year.

IV. EXCISE.—The increase of Revenue (£74,200) is due partly to the arrangements made with Local Governments, which I shall presently describe, whereby an increase of £15,000 is guaranteed to the Imperial Treasury in *Bengal*, the *North-Western Provinces*, and *Oudh*; but chiefly to the expectation that the *Excise* Revenue will not suffer in 1877 78 from the Famine so much as it is expected to suffer in 1876 77. The increase compared with the Original Estimate of 1876-77 is only £36,700; which is not nearly equal to a full year's normal growth of the revenue under this Head.

VI. CUSTOMS.—The small increase of £17,700 is in *Burmah*, where the Revenue is, this year, unusually low, owing to the export of rice being late.

VII. SALT.—Following the usual custom, I do not propose to estimate any increase of *Salt* Revenue.

VIII. OPIUM.—The recent estimates under this important Head have been for net round sums as follows:—

	Millions.
1874-75	5½
1875-76	5¾
1876-77	6

The details of the Estimates have, in fact, been adjusted to the total Net Estimate, instead of the Estimate being based upon the details. The actual Net Revenue obtained in past years seems to me to justify the expectation that we shall receive at least (net) £6,250,000 in 1877-78, and I have entered this sum. I am aware that it is important to those engaged in the trade to know the number of chests of Bengal Opium that the Government intends to sell in future, and that, at the present moment, a peculiar interest attaches to the intentions of the Government, owing to the large reserve of 35,315* chests which it already possesses, with the prospect of another good crop this year.

This reserve has been accumulated in the pursuit of a policy long ago deliberately adopted, the object of which was to enable the Government to make the supply of Bengal Opium to the market as far as possible steady, and independent of calamities of season. The great crop of 1876 has placed the Government in a position to obtain this object earlier than there was any reason to expect; and we have been, for some time past, engaged upon an enquiry what number of chests we can, hereafter, offer to the market without risk of failure and without objection in other ways. It has been once again satisfactorily ascertained by the independent testimony of the Revenue Officers, that the cultivation of the poppy is a source of prosperity to the agricultural population in Behar and the North-Western Provinces, and is popular with them, and that it does not tend to any objectionable consumption of the drug by them. But the enquiries necessary to enable the Government of India to determine its permanent policy are not quite completed; and I regret that I can say, at present, nothing more definite than that, in the calendar year 1878, the Government will certainly not sell less than 50,000 or more than 54,000 chests of Bengal opium. We shall not leave the market in uncertainty as to our intentions for a day longer than is absolutely necessary.

IX. STAMPS.—It is usual to estimate no increase under this Head, although a normal increase is to be expected: the increase of £32,400, which I enter to-day, is the consequence of the engagements with the Local Governments of *Bengal*, the *North Western Provinces*, and *Oudh*, which I shall presently describe, and guaranteed to the Imperial Treasury by these Governments.

X. MINT.—The net revenue from the Mints is estimated to be about the same as this year, the decreased receipts being counterbalanced by decreased charges.

XI. POST OFFICE shows an increase of Revenue, £22,100, and a rather larger increase of charge, £30,600: this occurs in England, and is chiefly for the manufacture of the half-anna envelopes, the popularity of which is so great that we have been unable to supply the demand for them. The Government of India was aware that the concession of a labelled envelope for the price of the label only was a substantial reduction of the rate of postage. We may be well satisfied with the complete success of this measure, which will, I doubt not, eventually affect the revenue favourably.

XII. TELEGRAPH.—The provision for this Service is £180,000 net. The Telegraph Department would have been very glad of a larger grant; but we could not, under the circumstances of the year, supply it. It has been arranged, however, that if the Revenue should, as is not improbable, grow during the year, the excess may be added to the grant for expenditure. In other words, we have made a quasi-contract with the Department for a net grant of £180,000 for the year.

XIX. GAIN by EXCHANGE.—The decrease of £74,800 follows the decrease in the Revenue from the *Guaranteed Railways*, which I shall presently explain.

XX. MISCELLANEOUS.—The Regular Estimate contains an item of £49,500 for premium on Government shares sold to the Bank of Bengal: this will not be repeated; sundry exceptional receipts in England also are not expected to recur: hence the decrease of £97,900 under this Head.

PUBLIC WORKS ORDINARY RECEIPTS.—Of the increase (£65,400) £18,000 is in consequence of a contract to supply the Great Indian Peninsula Railway with 36,000 tons of coal from the Warora Colliery at Rs. 5 a ton. The rest is in Bombay, the Government of which Presidency has reserved for Provincial purposes certain tolls on roads estimated to yield £53,348, which have hitherto been recorded under Local Fund.

IRRIGATION.—The improvement of £50,900 under *Irrigation* is the ordinary growth of this source of Revenue.

PROVINCIAL CONTRIBUTIONS are expected to produce £415,100: of this, the sum of £374,700 is contributions from the Governments of Bengal (£274,700) and the North Western Provinces (£100,000) in discharge of the responsibility which, as I shall presently explain, the Government of India is about to impose upon them for the interest on the capital expended on Extraordinary Public Works: the Balance (£40,400) is the estimated draft upon separate provincial Resources in support of the Services administered by the Local Governments.

Including a further grant of £25,000 to Burmah, *the Balances of the Local Governments* are expected to increase by the net sum of £69,100. On the Expenditure Side, the sum of £101,700 has been retrenched, as will presently be explained, from the Grants to be made over to the Governments of *Bengal*, the *North-Western Provinces*, and *Oudh*, for the additional Services to be entrusted to them. This retrenchment has been *pro forma* thus shown in the Estimates; but the Local Government may redistribute it at their discretion—

	Bengal.	N. W. Provinces.	Oudh.	TOTAL.
	£	£	£	£
Land Revenue	...	5,000	...	5,000
Law and Justice	10,000	5,000	...	15,000
Police	20,000	...	..	20,000
Education ...	4,000	...	...	4,000
Statnry. & printing	5,000	...	...	5,000
Public Works...	20,000	9,400	...	29,400
Bal. Decreased..	...	16,000	7,300	23,300
TOTAL ...	59,000	35,400	7,300	101,700

Interest shows an increase of £235,800, which will be explained by the proposed Loan operations of the year.

The satisfactory decrease of £26,500 under *Interest on other Accounts* is owing to the relief obtained by the Treasury from the charge for interest upon the Guaranteed Railway Revenue Balances; the Government of India had never admitted the right of the Companies ot this interest: Her Majesty's Government have acknowledged the force of the arguments used by the Government of India, and the Railway Companies have acquiesced in the withdrawal of the privilege. The charge was only real when the Companies earned surplus Revenue; in other cases, it went to swell the Net Traffic Earnings made over to the Government of India towards meeting the *Guaranteed Interest*, and so diminished the net charge upon the Revenues for that item; therefore, in its bearing upon the Estimates of the year, this saving must be taken in connection with the estimated charge for *Guaranteed Interest, less Net Traffic Receipts*, which must show some corresponding increase. The measure is, however, calculated to save at least £6,000 a year.

3. REFUNDS AND DRAWBACKS.—The Imperial portion of this Grant is always fixed at £300,000; the increase of £15,000 is the amount necessary to make up this sum.

4. LAND REVENUE.—The decrease of £20,600 is owing to the completion of settlements, and the retrenchment of £5,000 in the North-Western Provinces.

8. SALT.—The increase of £32,200 is nominal, the decrease in 1876 77 having been casual. It occurs chiefly in *Madras*, to provide for petty construction and repairs omitted this year.

14. ADMINISTRATION.—The decrease of £36,000 is estimated in the hope that the expenditure in 1876 77 may prove to have been abnormally high. The amalgamation of Oudh and the North-West Provinces has caused some saving under this Head.

15. MINOR DEPARTMENTS.—The excess of £9,500 is for Chinchona operations in Darjeeling.

16. LAW AND JUSTICE.—The excess of £37,300 would have been £52,300, but for the retrenchments in Bengal and the North-Western Provinces: the excess is to some extent balanced by excess receipts (£34,400): the remainder is for a large increase to the establishment of Law Officers in Bengal, the result of the recommendations of an influential Committee under the presidency of our colleague Sir Arthur Hobhouse, which recommendations have been approved by the Secretary of State for India.

17. POLICE.—The decrease of £22,400 under *Police* is owing to the *pro forma* exhibition under this Head of part of the retrenchment from the Government of Bengal. That Government may possibly, effect the retrenchment in some other way.

18. MARINE.—There is a decrease of £21,700, which is partly counterbalanced by a decrease of £6,700 under receipts.

19. EDUCATION.—Including the grant for *Education* from Local funds (net £274,000) the net expenditure on education is estimated at £913,400.

20. ECCLESIASTICAL.—Adding the Grant under this head in the *Army* estimates, the total grant for *Ecclesiastical Services* is £196,600.

21. MEDICAL.—The increase of £6,500 is almost entirely in the Provincial portion of this Grant, and does not, therefore, require explanation: adding the Grants for *Medical Services* in the *Army*, net £324,300, and from Local Funds, net £93,500, the total estimated expenditure under this head in 1877-78 is £1,016,400.

22. STATIONERY AND PRINTING.—The excess, of £49,000, notwithstanding the retrenchment of £5,000, is in the Provincial portion of the Grant; it is evident that the expenditure in 1876-77 has been unusually low.

23. POLITICAL AGENCIES.—The expenditure connected with the assumption of the Imperial Title in 1876-77 explains the decrease of £167,100 in 1877-78. In the review of the Regular Estimates for the current year, in my separate Minute, I have shown that the total charges incurred throughout the whole of India on this account, under all heads, will probably not exceed £100,000. The exact net cost of the Delhi Assemblage cannot now be stated, but, according to an estimate lately made, it will be about £50,000. Considering the great political importance of the event, I think that this expenditure was very moderate.

26. SUPERANNUATIONS.—The express of £12,200 is for the most part in England, where the payments on account of the Military Funds and of the annuities of Covenanted Civil Servants are still increasing.

27. LOSS BY EXCHANGE.—I have already said that the large diminution under this Head is connected with the Loan operations of the year. The estimate here is that the Secretary of State will raise 12¼ millions Sterling by Bills for Rs. 13,85,00,000: any one can, of course, calculate that these figures involve an estimate that our Bills will yield 1*s.* 9·23*d.* the rupee; but it is uncertain how much will really be drawn; and the estimate is not intended to indicate that the Government expects that its remittances will be effected at any particular rate. Either by bills, or by borrowing, the Secretary of State must get £16,000,000 for the Home Treasury in 1877-78; and I cannot say, with certainty, how much he will raise by bills and how much by borrowing.

The rate for the adjustment of transactions with the Imperial Government and of allowances and family remittances during the year is fixed at 1*s.* 9⅛*d.*

* Behar ... 18,087
Benares ... 17,228
Total ... 35,315

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28. MISCELLANEOUS.—The expenditure on account of the visit of His Royal Highness the Prince of Wales, which is recorded in the Accounts of 1876-77, will be absent in 1877-78: this is the chief item of the decrease of £40,100 under this Head: the remainder is in the provincial portion of the Estimates.

FAMINE RELIEF is expected to cost £486,000 less in 1877-78 than in 1876-77. I have given in my review of the Regular Estimates for 1876-77, in the Minute now before the Council, details showing the estimated charges for the famine in the current and in the coming year. The gross estimated cost is £3,735,400 in Madras and £1,809,700 in Bombay, making a total of £5,544,100, of which £2,209,100 is loss of revenue and excess cost of army supplies, and £3,336,000 is direct expenditure on measures of relief. Deducting the estimated addition to the earnings of the railways consequent on the famine, the total estimated net cost of the famine is £5,250,000 of which £3,100,000 will fall on this year, and £2,150,000 on 1877-78.

THE ARMY shows no improvement in 1877-78 as compared with 1876-77; but, on the contrary, an increase of net charge amounting to £49,500. The other items in the Statement which I have explained in the review of the Regular Estimates for 1876-77, in the Minute now before the Council, are, however, more favourable; and the true net cost of the Army, according to that Statement, will be £145,907 less in 1877-78 than in 1876-77. I have entered at some length in that Minute into the question of Army expenditure, and have shown how extremely serious the question is.

PUBLIC WORKS ORDINARY.—The decrease of £70,000, as will be apparent upon reference to the Table given in the review of the Regular Estimates, is partly nominal, and partly in the *Irrigation* Grant. The entire Grants for expenditure on Public Works in India during 1877-78 aggregate £11,489,774, as follows:—

	At Home.	In India.	Total, converting Pounds into Rupees at the average rate of exchange for the year.
	£	Rs.	Rs.
Public Works Ordinary...	102,700	3,86,69,000	3,98,30,139
Less Receipts	18,100	18,14,000	20,18,641
Net	84,600	3,68,55,000	3,78,11,498
Net grant from Local Funds	...	1,37,57,000	1,37,57,000
Public Works Extraordinary	734,500	2,89,35.000	3,72,39,347
Guaranteed Railways; Current account; as calculated in my separate Minute	...	1,39,24,964	1,39,24,964
Ditto Capital Expenditure	747,200	—12,83,000	71,64,934
Loans to Public Bodies ...	...	50,00,000	50,00,000
Total.....			11,48,97,743

STATE RAILWAYS show a net improvement of £87,600, the Net Revenue of the year being estimated at £191,800, a satisfactory improvement: as I have shown in reviewing the Regular Estimates for 1876-77, the growth of the revenue from these lines is highly encouraging.

LAND AND SUPERVISION.—Decrease £13,200: this item must now diminish as the Guaranteed Railways approach completion: but the charge for Supervision alone is upwards of £50,000.

The *Guaranteed Interest* payable by the Government is expected to increase by £580,700, and the Gain by Exchange to diminish by £74,300; altogether the Estimate for 1877-78 shows a burden of £610,700 in excess of that of 1876-77. The true burden is, as I have shown in my remarks upon the Regular Estimates, £1,392,496, and the true excess, owing to a more favourable estimate of exchange, only £443,260. Some portion of the decrease of the Net Traffic Earnings is nominal. The half-yearly Accounts of the Railway Companies are made up on the 30th June and 31st December, when any surplus found due to the Companies is paid to them: but the Finance and Revenue Accounts of the Government of India do not, in this respect, follow the contracts, but record the transactions of the financial year: thus the Estimates which I have presented for 1876-77 include all the earnings of the Railways to the 31st March 1877. Moreover, it takes some time to complete and audit the Accounts of the Railway Companies and to send them to England; and the surplus due to the Companies is not paid until they have been examined and accepted there. Thus it happens that the large surplus of £400,000 due to the Railway Companies in respect of the period embraced in our Regular Estimtes cannot be paid till next year, when it will appear [illegible]tion of the Net Traffic Receipts recorded [illegible]inance Accounts of that year. The [illegible]ayments recorded in the Finance [illegible]in 1876-77 are estimated at [illegible] that the Estimates of 1877-78 are [illegible]ected by this item to the extent of

[illegible] the special attention of the Council and of the public to the facts and figures regarding these railways which are given in the review of the Regular Estimates for 1876-77 in my separate Minute; I will not repeat them here; but they possess the highest importance and interest; the increase in the traffic, the decrease in the working expenses, and the diminution of the burden imposed on the Revenues of the Empire, are most satisfactory; and I look upon the progress of these Railways as one of the most hopeful and important facts connected with the future of our finances.

The Delhi Assemblage is estimated to have added a sum of £900,000 to the Net Traffic Earnings of 1876-77, and lastly, the chief part of the Famine Traffic will, it is believed, fall into 1876-77.

PUBLIC WORKS EXTRAORDINARY.—The Grant is £362,80,000, of which £128,000 is to cover a payment at Home postponed from 1876-77 to 1877-78. The effective Grant is thus only 3½ millions, of which £2,728,000 is for Railways and £900,000 for Canals. We are most anxious not to check the progress of these beneficial works, and we shall be glad to grant a little more money in the course of the year, if we find ourselves in a position to do so. Of the present Grant of £3,628,000, £1,206,300 is for expenditure on the *Punjab Northern* and *Indus Valley* State Railways. There will still remain the sum of £1,487,800 to be spent before these Railways which are not reproductive works (although we hope to reap a small revenue from them) are completed. The programme of State Railway construction operations during the year is as follows:—

	£
Rajputana line	150,000
Western Rajputana	100,000
Neemuch	196, 00
Holkar	100,0 0
Warda Valley	22,700
Sindhia	205,400
Northern Bengal	290,300
Tirhoot	95,600
Rangoon	158,500
Punjab Northern	272,500
Indus Valley	933,800

I am very glad that the Government is at last able to commence the important work of connecting the lines from Northern India and Rajputana with those of the Bombay Presidency, by Ahmedabad and Neemuch, and I trust that it may be found possible to push the work forward rapidly to completion.

The total grant for Irrigation Works in 1877-78 is as follows:—

	Grant, 1877-78. £
Ordinary	900,600
Extraordinary	900,000
Total...	1,800,600

Of the Ordinary grant £143,808 is to be spent on Works, £401,579 on Repairs, £342,292 on Maintenance, Conservancy Estalishment and Establishment for collection of revenue, and the balance on tools and plant and State expenditure on guaranteed Irrigation Works.

The Extraordinary Expenditure (£900,000) is to be incurred principally on the following projects:—

	£
Sirbind Canal	140,900
Western Jumna	74,900
Baree Doab	24,800
Swat River	30,500
Ganges	80,000
Agra	10,000
Lower Ganges	170,000
Sone	191,000
Orissa	63,400
Midnapore	20,500
Godavery Deltas	28,600
Kistna Deltas	14,800
Moota Canal	31,900

WAYS AND MEANS, 1877-78.

I have now to explain the *Ways* and *Means* whereby it is proposed to make provision for the service of the year 1877-78. In doing so, I must invite attention to the Abstract Tables in the right-hand corner at foot of Statements IV, V, and VI. which contain the figures of which I have now to speak.

I have stated that the Expenditure of the year is expected to exceed the Revenue by the sum of £4,249,700; £283,300 must be provided from the remaining Balances of the Military Funds to supply the difference between the subscriptions to the Funds recorded under XVIII, *Receipts in aid of Superannuation Allowances*, and the payments to the beneficiaries of the extinct Funds for which the State is now liable: £500,000 is required for *Loans to Native States and Public Bodies*, such as Municipal Corporations, Port Trusts, and the like: the *Guaranteed Railway Companies* will draw upon us for £618,900.

It is expected that the Balances of these Companies in our Treasuries on the 31st March will be only £421,000. It is satisfactory to observe that we now owe the Companies little, and that, in the course of a few months, we shall owe them nothing.

The *Deposit and Remittance Accounts* are estimated to result in the net withdrawal of £470,900 from the public Treasury.

Lastly, we want the sum of £823,400 in order to raise our Balances to the lowest amount necessary for carrying on the service of the year. The Government of India is not responsible for the management of the Home Treasury by the Secretary of State in Council; but I remark that the transactions of that Treasury during the year are expected to end in a reduction of the Secretary of State's Balances by £136,900, leaving them at only £1,011,200. With reference to the large transactions of the Home Treasury (aggregating £34,000,000 a year), and to past experience, this amount cannot but be considered moderate.

The amount of the Working Balance that the Government of India ought to have at its credit or in its Treasuries in India at the beginnning of the financial year, has been the subject of frequent discussion; like the Balances which any private individual keeps ready at his command, the amount which the Government of India requires must obviously depend upon the sum of its transactions and upon their geographical dtstribution, and upon various other considerations; if transactions are concentrated in one or two Treasuries, a much smaller aggregate Working Balance will suffice than if they are spread over a multitude of Treasuries scattered over vast distances.

The following Statement of the Public Receipts and Disbursements since 1869-70 will be useful in an investigation of the proper amount of the Working Balance of the Government of India:—

Receipts and Disbursements at the Treasuries of the Government of India at Home and in India.

—	Receipts.			Disbursements.			Balances at close of the year.		
	England.	India.	Total assuming £1=Rs. 10.	England.	India.	Total. assuming £1=Rs. 10.	England.	India.	Total assuming £1=Rs. 10.
	£	Rs.	Rs.	£.	Rs.	Rs.	£.	Rs.	Rs.
1869-70..	17,621,522	90,30,62,700	107,92,80,920	17,755,320	86,54,16,230	104,29,69,430	2,892,483	13,94,04,510	16,83,29,340
1870-71..	19,473,577	99,68,89,650	119,16,25,450	19,060,088	96,81,06,760	115,87,07,640	3,305,972	16,81,87,430	20,12,47,150
1871-72..	15,740,339	118,45,72,750	134,19,76,140	16,225,220	113,27,83,080	129,50,35,230	2,821,091	21,99,77,150	24,81,88,060
1872-73..	15,712,672	107,30,39,160	123,07,65,880	15,535,316	110,57,39,380	126,10,92,570	2,998,444	18,78,76,930	21,78,61,370
1873-74..	16,121,090	105,08,65,300	121,20,76,200	17,105,896	109,84,07,810	126,94,66,770	2,013,638	14,03,34,420	16,04,70,800
1874-75..	17,194,897	106,35,17,120	123,54,66,090	16,412,165	105,20,73,400	121,61,95,050	2,796,370	15,17,78,140	17,97,41,840
1875-76..	15,693,341	103,05,46,292	118,74,79,702	17,569,812	101,27,99,495	118,84,97,615	919,899	16,95,24,940	17,87,23,930
1876-77..	19,166,300	99,50,32,000	118,6 6,95,000	18,938,100	104,91,60,000	123,85,41,000	1,148,100	11,53,97,000	12,68,78,000
1877-78..	16,851,100	101,33,58,000	118,18,69,000	16,988,000	100,37,55,000	117,36,35,000	1,011,200	12,50,00,000	13,51,12,000

There are in India 233 treasuries, besides 1,048 revenue sub-divisions of districts, at many of which there is some kind of a treasury, and besides outlying treasure chests.

A preponderating share of the land revenue is received in India in the spring; but the expenditure and the bills of the Home Government go on more or less evenly all the year round. The result of this peculiarity is that the Balances of

the Government of India if not recruited by loans, or sustained by interruptions of the Secretary of the State's drafts, subside rapidly from about June, till they reach their lowest point about the end of October, the Balances at the end of which month may be expected to fall at least £8,000,000 below the Balances at the end of March.

Having regard to the magnitude of the transactions at our Public Treasuries (aggregating upwards of £200,000,000 a year) the vast extent of the territories administered by the Government of India, the numerous separate receptacles of public money scattered over the country, and the unequal distribution of the revenues over the year; remembering also the liability of the Government of India to sudden demands upon its treasury for war, famine, or other public necessities, and the scanty resources of the Indian money market, Lord Northbrook's Government determined, a year ago, that it was only prudent to provide for balances at the end of the year aggregating £13,500,000 for ordinary purposes, besides a reserve which Lord Northbrook thought should be substantial, but, under the present financial pressure, we must put up with the inconvenience of a smaller balance, and I propose, therefore, to provide for a closing balance of only £12,500,000. Enquiries are now in progress as to the smallest working balance necessary in each Province: when these investigations are completed, and further experience is gained of the working of the Reserve Treasury, the Government of India will be in a position once more to consider what is the proper amount of balance altogether, to provide at the beginning of each financial year.

Before leaving the subject of the balances of the Government of India, I wish to make a few remarks upon some of the misapprehensions that often prevail concerning them. Some people seem to suppose that the Government of India can spend money from the public balances without entering the transactions in the Public Accounts, and that these balances are a mysterious hoard from which we can help ourselves without the inconvenience of justifying or explaining our proceedings: others have gone the length of gravely proposing that the Government of India should credit its balances, or a slice of them, as revenue.

But there is really no mystery at all about these balances, which do not differ in character from the balances at credit of any private individual: not a rupee of public money can be spent, or is spent, which does not come from the public balances, and not a rupee can be taken from these balances without the fact being recorded and brought to account. The plain truth is, that the Accounts and Estimates which it is my duty to review and explain to-day exist only for the purpose of recording what money has passed, or is expected to pass, into and out of these balances, and to explain and justify every addition to, and every reduction of, these balances: if the disbursements recorded in the Accounts of the year exceed the receipts, the balances are reduced; if the receipts exceed the disbursements, the balances are increased. Thus, by submitting to a reduction of the public balances, the Government of Lord Northbrook was able to pay some part of the cost of the Bengal famine without borrowing; but this did not enable the Government to keep a single item of the expenditure out of the Public Accounts: it seems almost absurd that I should gravely say this; but the strange misconceptions that often appear seemed to demand some such explanation.

Our liabilities in excess of the produce of our revenues aggregate £6,946,200.

Of this sum we expect to receive £81,000 from the *Civil Service Funds*, £50,000 from *Savings Bank Deposits*, £139,700 *Surplus of Local Revenues*, and £175,500 from certain other deposits called *Sundry Obligations*, which include the Nizamat Stipend Fund, the Bahu Begam's Stipend Fund, and certain Guaranteed Railway Funds. The balance is £6,500,000, and this is the net sum which I now estimate that we may have to borrow in the course of the year. I do not forget that the ten-year debentures of 1867, the outstanding balance of which amounts to £458,100 are due and payable on the 1st June 1877; but I am not yet prepared to make any special announcement regarding them.

Of the net sum of £6,500,000 which the Government thus estimates that it may have to borrow in the course of the year, £250,000 is expected from His Highness the Maharaja Sindhia for the Gwalior Railway. Our present hypothesis is that of the residue, 3¾ millions sterling will be borrowed by the Secretary of State in England and 2½ millions in India. But I must here give an important warning: upon the face of the Statements Nos. IV, V, and VI. will be found, for the first time, the following note:—

> The estimates in this Statement of the amounts to be borrowed, and to be supplied to the Home Treasury by bills in 1877-78, are the best that can now be made; but they are subject to modification as the year goes on; the Government must not be understood to pledge itself that the Secretary of State in Council will raise by bills the exact amount stated, or that the exact amount stated will be borrowed during the year; or that it will be borrowed in India or in England, as the case may be.

This note is added under instructions from the Secretary of State. In order to make these *Estimates of Ways and Means* for the Service of the coming year, it is necessary to set down the amount that it is proposed to borrow, and to frame a hypothesis whether the money will be borrowed in India or in England. But the Government of India is not authorised to commit the Secretary of State to borrow or not to borrow any particular sum during the year: and it is not usually possible to communicate the prospects of the year to the Secretary of State with sufficient fullness to enable him to decide, finally, upon the proposals of the Government of India. These important Statements must, therefore, be understood henceforth to be, so far as prospective Loan Operations are involved, only provisional forecasts, and must not be held in any way to commit the Government of India or the Secretary of State to borrow for the service of the year, either the particular sum set down, or in particular proportions in India and England.

Moreover, the Secretary of State for India can borrow no money in London without first obtaining authority from Parliament: and at the present moment he has no such authority, having exhausted the statutory powers granted to him on the occasion of the Bengal Famine. It is obviously quite impossible for the Government of India to say that Parliament will authorise the Secretary of State to borrow more money in London; and the Government of India is not even at liberty to pledge the Secretary of State to make application to Parliament for fresh power to borrow. What I have said, therefore, must be distinctly understood as expressing only the views and intentions of the Government of India, and must not be construed as implicating the Secretary of State, or pledging him to any course of action. I am afraid that this will not be considered altogether satisfactory; but the Government of India is not now in a position to state more definitely how provision will be made for the service of the year.

The Government of India is fully alive to the importance of satisfying its requirements in India without resorting to the London market more than is absolutely necessary, and if, in the course of the year, circumstances should favour such an arrangement, and the Government of India is in a position to act upon its own judgment, a larger share of the whole amount than £2,500,000 may be offered to the market in India. On the other hand, the Governor General in Council will not, so far as the decision rests with him, submit to any unreasonable terms; and, if the conditions acceptable to the money market in India should appear too unfavourable, he will not hesitate to recommend to the Secretary of State to endeavour to obtain power to borrow in England as much more than 3¾ millions sterling as is found to be really wanted.

Supposing that the Secretary of State borrows 3¾ millions sterling in England, it will be necessary for him to raise by bills upon India 12½ millions sterling. To effect this, it is calculated that he must sell bills for about 26½ lakhs of rupees a week throughout the year: the Government of India is accordingly authorised to announce that bills for 26½ lakhs of rupees will, according to present intentions, be offered for sale weekly during April and May.

SEVEN YEARS ACCOUNTS.

I will begin what I have now to say to the Council with a brief review of the results of the financial administration of the last seven years, ending with 1875-76, the last year for which the accounts are completed. I think that this will be useful in enabling us to form a correct judgment of our present position; and the period which I have taken is a convenient one, because, while it was one of general peace and prosperity, a serious famine occurred in it, and a large expenditure took place on unremunerative public works. The results of the seven years may be fairly assumed to contain few elements of a specially abnormal character. In saying this I do not forget the great expenditure on the Bengal famine; but on the other hand it must be remarked that, since this period of seven years closed, we have already to meet another famine which will not cost much less, nor have we any right to assume that we shall escape more easily in future.

The gross revenues during the seven years ending with 1875-76 aggregated £357,573,100, and the total expenditure amounted to £370,555,000. Thus the expenditure exceeded the revenues by £12,981,900.

During the seven years the sum of £19,654,000 was spent upon works classified as extraordinary, and £6,500,000 was spent from the imperial revenues on the relief of the famine in Bengal.

Out of the sum spent on Extraordinary Public Works, £4,771,000 was expended on the construction of the Punjab Northern and Indus Valley State Railways. These railways belong to a class of works of which I shall again speak. They were not undertaken as reproductive works, and, although it is anticipated that they may yield a net return of 2 per cent. on their capital cost, I shall, in a review which I wish to be severe, exclude their cost from the extraordinary head of account, and treat it, as I think strictly speaking it ought to have been treated from the first, as ordinary expenditure. This correction will leave the sum of £14,883,700 as fairly representing extraordinary expenditure on reproductive public works; and, if there had been no famine, we should have been able to pay for the whole of these unremunerative works, and there would have been a surplus in the seven years, according to the accounts as they are now constructed, of £8,401,700.

But, in order to obtain a true conception of the financial results of the seven years, some further adjustments are necessary; included in the Gross Revenues is the sum of £2,443,300 transferred from the Book Capital of the extinct Military Funds: great doubts are felt whether it is right to reckon these transfers as Revenue at all, unless, indeed, interest be charged *per contra* as if the Funds were still in existence; and, for my present purpose, I prefer to exclude them. I will also exclude the sum of £986,900 by which the financial results of the seven years are estimated to appear better than they really are, owing to the peculiar mode in which the Sterling transactions of the Home Treasury are combined with the Rupee transactions of the Indian Treasuries. If these two disturbing causes be eliminated, the true financial result of the seven years including the cost of unremunerative public works, and excluding the cost of famine relief, would be a surplus of £4,971,500.

But it has to be remembered that during the same period, the income tax, which has ceased to be one of our sources of revenue, yielded net £4,364,900: if, therefore, there had been no income tax, there would have been a surplus of £606,500, after meeting the charges for unremunerative public works, but excluding the charges for famine.

Another consideration favourable to the finance of these seven years deserves mention: we accumulated a reserve stock of 35,315 chests of Bengal opium, the cost of which will be recovered in future years, with the profit or revenue yielded at auction: the cost of these 35,315 chests may be reckoned at £1,412,600, of which about £850,000 is included in the recorded expenditure of 1869 to 1876. On the other hand, a substantial benefit accrued to the revenues upon the redemption on the 30th April 1874, of the capital stock of the East India Company. The Sinking Fund created by Act 3 and 4, William IV., Cap. 85, Sec. 12, amounted, on that date, to £7,876,439, and its appropriation towards the redemption of the stock relieved the Revenues from the payment of about £315,000 a year.

Upon the whole, it may be said that this retrospect is satisfactory. From the 1st April 1869 to the 31st March 1876, not only was no addition made to the debt of the country, except for reproductive works, but a substantial portion of the money invested for these works was really provided from current revenue.

If we look at details, we shall find further encouragement: the growth of the Net Revenue under its main Heads was as follows:—

	1869-70.	1875-76.	Improvement
	£	£	£
Land Revenue.....	19,603,000	20,142,800	539,8
Excise.....	1,997,100	2,407,000	409
Customs.....	2,167,200	2,470,000	30
Salt.....	5,463,000	5,702,200	23
Stamps.....	2,224,900	2,692,400	46
Opium	6,130,990	6,252,000	1
Total	37,586,100	39,666,400	2,0

The Net Imperial Yearly Expenditure during the same period was as follows :—

—	Civil, except Famine Relief.	Famine Relief.	Military.
	£	£	£
1869-70	23,242,400	..	15,250,800
1870-71	23,246,200	...	15,119,400
1871-72	22,178,000	...	14,733,700
1872-73	23,797,000	...	14,596,800
1873-74	22,494,100	3,864,700	14,217,400
1874-75	22,258,800	2,237,900	14,386,400
1875-76	 23,226,400	508,500	14,262,900

—	Grand Total.	Total excluding Famine Relief.	Total, excluding *Loss by Exchange.*
	£	£	£
1869-70	38,493,200	38,493,200	38,314,000
1870-71	38,365,600	38,365,600	37,797,800
1871-72	36,911,700	36,911,700	36,515,700
1872-73	38,393,800	38,393,800	37,628,700
1873-74	40,576,200	36,711,500	35,725,000
1874-75	38,883,100	36,645,200	35,747,300
1875-76	37,997,800	37,489,300	36,059,600

Thus the net revenue increased during the seven years by more than £2,000,000, or at the average rate of nearly £300,000 a year, while the net expenditure exoluding famine relief showed no tendency to increase at all, and was actually less in 1875-76 than in 1869-70. Excluding also *Loss by Exchange*, an element which may be said to be practically altogeter beyond our control, the net expenditure in 1875-76 was less than the net expenditure in 1869 70, by £2,254,400, of which about £1,000,000 was in the Army and the rest in the Civil Department: I wish to call special attention to this fact, for it is very important and very encouraging, and reflects great credit on the past administration of our finances.

Notwithstanding the large amount borrowed during this period, the net charge for *Interest* rose only from Rs. 460,67,220 in 1869-70, to Rs. 4,61,69,190 in 1875-76. This favourable result is due to the redemption of the East India Company's Stock already explained; to various successful operations for the reduction of the rate of interest on our Loans; and to the progress of the investment of the Reserve of the Paper Currency Department.

I think that the facts and figures which I have given for these seven years* show that the finances were administered during this period with great care, economy, and success. I look upon them as highly honourable to the Governments of Lord Mayo and Lord Northbrook, and to my predecessors Sir Richard Temple and Sir William Muir. Nor must I omit to give due credit to Mr. Chapman, who, during the whole of this period, was Financial Secretary, and who, fortunately for the Government and for me, still holds that post. It is not now my object to enter into a detailed review of the Financial Administration of past years; but if I were to do so, I might say much more to show the extreme care with which it has been directed. It must be remembered, also, that during this period considerable reductions in taxation were effected. Besides the abolition of the Income Tax, which for my own part I regret, the Customs Tariff was revised, and some of its most objectionable features removed. A great portion of the duties on exports have been swept away; the general rate of import duty has been reduced from 7½ to 5 per cent., and the whole of the tariff valuations have been carefully corrected.

PRESENT FINANCIAL CONDITION.

It is no doubt very encouraging to find that since 1869 70 we should have paid our way so well. We must not, however, deceive ourselves into supposing that the facts which I have stated prove that the finances are in a condition which leaves nothing to be desired. It ought clearly to be understood that if such charges as those for famine and for unremunerative public works cannot be provided out of the ordinary revenues, the state of our finances must be unsound.

These questions are so serious that I wish to refer to them before going further, for, unless we have clear conceptions regarding them, it will be impossible to understand what our financial position really is.

It cannot be too distinctly stated that charges for the relief of famine must be looked upon as ordinary charges; they are so shown in the Accounts of the present year, and in the Estimates now before the Council, and they were shown in the same way for the Bengal famine by the Government of Lord Northbrook. In the Financial Statement for 1874 75, Lord Northbrook showed very clearly that, whatever means we may take to obviate or mitigate these calamities, famines cannot, under present circumstances, be looked upon as occurrences of an extraordinary character. He said that, in the ten years which had elapsed before 1874, there had been three serious famines in India—the Orissa famine in 1866, the famine in Northern India in 1869, and the famine in Behar in 1874.. We have now, unhappily, to add a fourth to the list, that from which a vast tract of country is now suffering, and which will, I fear, prove a still more serious calamity than those which preceded it. Such being the facts with which we have to deal, we cannot, as Lord Northbrook stated, safely depend upon loans for meeting the charges on account of famine. "It is necessary," he said, "that besides a fair surplus of income over ordinary expenditure, such a margin should be provided, in addition, in ordinary times, as shall constitute a reasonable provision for meeting occasional expenditure upon famines:" if this condition, he said, were fulfilled and a sufficient surplus secured in years of prosperity, deficit might be endured with less objection in occasional years of adversity. The Government of India, it was stated, had therefore resolved to use its best endeavours to maintain for the future a considerable surplus of income over ordinary expenditure, and thus to make provision beforehand for any calls which are likely to arise on account of famines. This resolution on the part of the Government was undoubtedly wise, but since the charges for unremunerative public works cannot rightly be excluded, the conditions laid down in 1875 have not, in my judgment, been fulfilled. Considering that we have lost the income tax, it is impossible to anticipate that they will be fulfilled in future, unless we take some further steps for ensuring a larger surplus of income over ordinary expenditure.

I must now mention the other great head of expenditure regarding which, if we wish to form a correct idea of our real financial position, it is essential that there should be no misunderstanding: I refer to those great public works undertaken to meet the political and military necessities of the Empire, but which are not expected to be directly remunerative.

As an illustration the kind of works to which I now refer, I will take the railways already mentioned, which are under construction in the Punjab and on the Sindh Frontier: these works will doubtless be very beneficial to the country through which they pass; but they are not undertaken on such grounds as this, but because they are considered, for political and military reasons, to be essential to the service of the Empire; there is no profession that they will be directly remunerative; and if we have borrowed money for them, we have done so simply because it was held impossible to construct them in any other way, such works cannot properly be called Extraordinary in the technical sense in which we now use that term. They differ only in magnitude, and not in kind, from the works which we pay for out of the ordinary revenues, such as barracks, or fortifications, or other works which involve a heavy outlay and give no direct return. I am afraid that it can hardly be denied that the system which has hitherto been followed, under which these necessary, but not directly remunerative, works have been mixed up with works which we expect to be directly profitable, has tended to make us less chary in spending money than we should have been if the expenditure had been shown, as the famine expenditure is shown, among the ordinary charges of the year: our public accounts ought to give a complete statement of the actual facts of our financial position, with no reservations or evasions, however unpleasant the appearance of the facts may be.

I wish it had now been practicable to remove altogether from the Extraordinary head of account all the works of this class which I have been describing: it has, however, been decided that we cannot now do this, and that we had better not attempt to correct past errors of classification: for the future, it has been resolved, in communication with the Secretary of State, that no work shall, under any circumstances, be classed as Extraordinary, unless we are satisfied that it will yield a net income sufficient to cover the interest upon its capital cost: It has also been decided, in respect to future works, that if a work has been classed as Extraordinary, and it be ascertained subsequently that the estimates of profit were fallacious, any further expenditure upon it shall not be treated as Extraordinary, but entered among the ordinary charges. I think, for my own part, that there is very much to be said in favour of the view that we might with propriety go much further and do away with all distinction between Ordinary and Extraordinary expenditure: this would involve no change in our policy: we should still borrow money for useful works: and, although our Budget Statements might usually close with the announcement of a deficit instead of a surplus, and would have a less agreeable appearance, the deficits would have no more real or serious existence than they have now. This, however, is a matter which I need not now discuss. The decision which I have now stated, and on which the Government is resolved to act, will, at any rate, place matters on a sounder basis in future.

The figures which I have given show that, during the past seven years we should have just managed, after meeting all charges for unremunerative Public Works, to bring our expenditure within our income, if there had been no income-tax and no famine: but we cannot omit famine from our calculations; and we have now no income-tax: it therefore follows, judging by the experience of these seven years, that our ordinary revenues are just sufficient to meet all ordinary charges excepting those for the relief of famine, for which we may consider that no provision is now made: I think that the estimates of the current and coming years tend to confirm this general conclusion.

What, therefore, we now have to do is to establish a sufficient margin of annual income over ordinary expenditure, to enable us to meet with certainty not only the charges for famine relief, according to the principle laid down by Lord Northbrook, and charges for unremunerative public works, but for other demands which cannot be foreseen, but which will inevitably occur: this is the more important because, in India, we have, under present circumstances, almost no means, such as those which can always be applied in England for temporarily increasing the public income to meet a temporary necessity.

Our financial position also requires improvement to enable us to carry out measures necessary for the regular progress and better administration of the country: there are administrative improvements which are very necessary, and, above all, there are urgent fiscal reforms, closely affecting the economical and commercial interests of India, which, for want of means, have hitherto been hardly touched. It is easy to give illustrations of my meaning: there are the duties on cotton goods, of which I shall have to speak again; and, independently of them, I do not think that any one will maintain that our Customs Tariff is in a satisfactory condition. Then, there are the Inland Sugar duties, to which also I shall refer again presently: six years ago I heard them called, in this Council, the most discreditable relic of the dark ages of taxation that exists in India: every one agrees in this judgment; but the Sugar duties still exist. Take, again, the system under which we levy our Salt revenue in Northern India: no one denies that it is a positive disgrace to a civilized Government: but it remains unaltered. The time is perhaps hardly come for talking of the repayment of debt as a practical object to be aimed at, or for hoping that we may be able to dispense with borrowing even for reproductive public works: for works which are not reproductive we ought not, except under the pressure of extreme necessity, to borrow a sixpence: the increase of debt is so serious an evil, that we must strive to reduce our borrowing to a minimum even for remunerative works, and provide as much money as possible for them from ordinary revenues: so always that we do not allow this determination to check the progress of necessary great works, of public improvement, or to interfere with the execution of great fiscal reforms such as those which I have mentioned.

There is another matter which obviously has a most important bearing on this subject—the question of the future value of silver. I am afraid that we cannot, with any confidence, expect to avoid serious loss hereafter from disturbances in the relative values of the precious metals; and no one can now measure the future deranging effect upon our finances of these disturban-

* The following abstract shows how Ways and Means were provided for the Public Service during these seven years. It will be seen that besides the *Deficit of Imperial Revenue*, Rs. 12,98,20,550, we had to find Rs. 1,52 03,280 for the several *Service Funds*, Rs. 5,20,04,100 for *Loans to Native States and Public Bodies* (including Rs. 201,27,802 for the purchase from the Bombay Port Trust of the Elphinstone Company's Property), and Rs. 1,66 20 930 for the *Guaranteed Railways*. Moreover, we raised the *Balances in our Treasuries at Home* and in *India* from Rs. 13,20,17,840 by Rs. 4,67,06,090 to Rs. 17,87,23,93 . Thus altogether our obligations in excess of our Revenues amounted to Rs. 26, 3 54,950. Of this amount, the *Surplus of Provincial and Local Revenues* yielded Rs. 51,96,530. *Savings Bank Deposits* supplied Rs 88,28,280; the net result of the *Deposit* and *Remittance* transactions was in our favour by Rs. 1,79,07 790 (chiefly repayments by Her Majesty's Government of advances made in India for the Abyssinian Expedition), and we borrowed Rs. 22,84,22,350.

Abstract of Ways and Means Account, 1869—76.

	Rs.		Rs.
Surplus of Provincial and Local Revenues ...	51,96,530	Deficit of Imperial Revenues	12,98,20,550
...gs Banks Deposits	88,28,280	Balance of transactions with service Funds	1,52,03,280
...of Deposit ...emittance	1,79,07,790	Loans to Native States and Public Bodies	5,20,04,100
.....	22,84,22,350	Guaranteed Railway Capital withdrawn	1,66,20,930
		Balances in Treasuries increased...	4,67,06,090
	26,08,54,950		26,08,54,950

ces. In connection with this subject, I must mention the very great importance of sparing no efforts to prevent the increase of the sum which we have to pay annually in England in gold. I have referred to this subject in my separate Minute, and have said that, although I do not now wish to give opinions in regard to the measures, if any, which ought to be adopted, the subject is receiving, and will continue to receive, all the attention which the Government can give it.

In asserting that our financial position must be improved, I by no means desire to see the improvement pushed to an extreme: I wish for no such surplus of income over expenditure as would involve the necessity of imposing heavy burdens on the country or might tempt the Government to launch out into extravagancies: I ask only for such a reasonable margin on the right side of the account, as will enable us to pay our way honestly, to avoid increasing the burden of debt, and to carry out, at a reasonable and moderate rate, necessary measures of administrative and economical progress.

Now it is certain that we cannot bring about in the coming year any such improvement as I desire: with famine in a large part of India it is obvious that no time could be so inopportune as the present, not only for imposing fresh burdens on the people who are suffering, but even for measures involving serious changes of administrative changes: we could not, at such a time as this, ask the Governments of Madras or Bombay even to undertake the examination of new financail schemes: all that we can now attempt is to lay down, as fully as we can, the principles by which the Government of India intends to be guided, and to take such steps as may be practicable for carrying out our programme in those provinces which are in a prosperous condition.

The only means by which the necessary improvement in our financial position can be gained are fresh taxation, or reduction of expenditure, or increased productiveness of existing sources of revenue, or a combination of these means.

It will be understood, from what I have already said, that I have no measures to propose at present for the imposition of any general taxation. It may be a cause of special relief to some of my audience to learn that the rumours which we have heard from time to time about the re imposition of an income-tax to have no foundation. As to the income-tax, I freely confess that I regretted its disappearance; but there has been no thought of restoring it. The Government is obliged to propose some other taxation, of which I shall speak further on.

In regard to reduction of expenditure, the only head under which there has lately been any serious increase of charge is the Army; I have mentioned this in the Minute now before the Council as a cause of grave anxiety, over which the Government of India has comparatively little control: in regard to the possibility of future reductions of Military Expenditure, all I can say is that the Government of India will do everything that it properly can do to effect them. It is only in the great Imperial Services that we can now hope to see much done in this direction; for there is comparatively little room for saving on the ordinary charges of the Civil Administration carried on for the most part by the Local Governments. We have, however, every reason to believe that under the system of provincial assignments established in 1871, and which we are now further developing, these charges will bring no fresh burdens in future on the Imperial Treasury and the actual reductions of Imperial Expenditure for which we are able to take credit in our Estimates for the coming year, in consequence of the extension of that system are, as I shall presently show, not unimportant.

I believe that much may be done to increase the productiveness of existing sources of income, and I will explain the measures by which the Government hopes that this may be effected.

We all remember the schemes which a great Englishman put forth some twenty years ago, for the better government of India. He told us, with an eloquence which he alone possesses, of the folly of supposing that so vast a country, with its twenty different nations and its twenty languages could ever be bound up into a single State. "What you want," he said, "is to decentralize your Government. What would be thought if the whole of Europe were under one Governor who knew only the language of the Feejee Islands?" Now, much as I respect Mr. Bright—and no one has a sincerer respect for him than I have—I am not going to defend the projects by which he would have abolished the Governor General in Council and would have established half a dozen separate Governments in India, having no connection with each other, and each of them directly subordinate to the Secretary of State at home: I believe that, sooner or later, the result of such a plan, if it were put in operation, would be the destruction of our Indian Empire; but I am not one of those people, who unfortunately are not wanting now-a-days, who can look with complacency on such a prospect; nor will I accept it as even a possible contingency.

If there be one thing more essential than another in India, it is, in my opinion, a strong Central Government; and I utterly disbelieve that we can ever get such a Government out of India itself. Nevertheless, there was a basis of truth and wisdom in Mr. Bright's proposals: it is, in many respects, quite true that what we want is to decentralize our Government; although I dislike the term decentralize, because it conveys to many people the false notion that we desire to diminish the central authority of the Supreme Government: on the contrary, we desire to see that authority increased and made the strongest possible reality, and I am convinced that we can only maintain true Imperial control by refusing to meddle with details which the local authorities can alone understand and with which they alone can intelligently deal: no Government, whether it be Imperial or Provincial, can ever really deserve to be called strong, unless it be conducted on these principles.

As Your Excellency told us the other day, on a very different occasion from this, we have been far too much disposed to disregard the fact that India is no homogeneous country, but a continent containing many nations, the differences between which are at least as great as those which exist between the nations of Europe: it is farther from Lahore to Calcutta than from London to Naples, and, wide as the difference is between England and Italy, there is probably far less difference between those two countries in all their physical conditions, and far less difference between their inhabitants, than there is between the Punjab and Bengal. Nor is it at all true that our existing Indian Provinces are merely artificial divisions: there are, no doubt, varieties of race and language and customs to be found within a single Province; but Bengal, Madras, Bombay, the North-Western Provinces, and the Punjab have nevertheless, each of them, a fairly well-defined and distinct character.

I believe that the views which I have now been stating, and which Your Excellency has on more than one occasion publicly declared, are especially true in regard to measures of taxation and finance; we should think it very unreasonable to suppose that the same plans of taxation and financial administration are applicable to all the countries of Europe; and it is just as unreasonable to suppose that the same plans are applicable throughout India; a system which may be excellent in one Province may be as bad as possible in another.

Now, the Government is not so foolish as to imagine that there is any essential distinction between Provincial and Imperial taxation, or between Provincial and Imperial expenditure: when we talk of throwing upon the Local Governments new responsibilities for increasing the public revenues; or of relieving our finances by making Provincial certain obligations which have hitherto been Imperial; we are not so ostrich-like, or so dishonest, as to imagine or to profess, that, by any juggle of names, we can alter the nature of new taxation and make it less burdensome to the people; or that the actual expenditure of the Empire is diminished, when we say that charges for certain classes of works, which have hitherto been Imperial, shall henceforth be Provincial; indeed, in the accounts as now remodelled, no distinction whatever is made between Imperial and Provincial Revenue and Expenditure. I have, nevertheless, a strong conviction that decentralization, leading, as I believe it infallibly will do, to improved administration, will bring about a great increase in the productiveness of existing sources of revenue, great diminution of the evils of fresh taxation if fresh taxation becomes necessary, and great economy in expenditure.

LORD MAYO'S MEASURE, 1870.

In regard to expenditure, an important step was taken by Lord Mayo six years ago. I will ask Your Excellency, although I am afraid I have no better object than that of saving myself a little additional trouble which would be entailed by explaining my views over again to the Council, to allow me to read a passage from an old paper of my own, in which I endeavoured to describe the reasons for the measures taken by the Government of India in 1870: a clear conception of those reasons is essential to the proper understanding of the plans which are now proposed.

"Under the system which Lord Mayo found in force when he became Viceroy, the Local Governments, which practically carry on the whole administration of the country had almost no powers of financial control over the affairs of their respective provinces, and no financial responsibility. Everything was rigorously centralized in the Supreme Government, which took upon itself in detail the provision of funds for every branch of the public service throughout India. The business of supervising in a central office all the details of the receipts and expenditure of the empire had become so enormous, that its proper performance was impossible. 'I do not think,' wrote Sir Henry Maine in 1867, 'that any body can have observed the recent workings of our system of finacial control, without coming to the conclusion that, if it be not on the point of an inevitable collapse, it is at all events in great danger of going to pieces unless the strain be lightened somewhere.'

"For many years before Lord Mayo became Viceroy, the ordinary financial condition of India had been one of chronic deficit; and one of the main causes of this state of affairs was the impossibility of resisting the constantly increasing demands of the Local Governments for the means of providing every kind of improvement in the administration of their respective Provinces. Their demands were practically unlimited, because there was almost no limit to their legitimate wants. The Local Governments had no means of knowing the measure by which their annual demands upon the Government of India ought to be regulated. They had a purse to draw upon of unlimited, because unknown, depth; they saw, on every side, the necessity for improvements; and their constant and justifiable desire was to obtain for their own Provinces and people as large a share as they could persuade the Government of India to give them out of the general revenues of the empire; they found by experience that the less economy they practised, and the more importunate their demands, the more likely they were to persuade the Government of India of the urgency of their requirements: in representing those requirements they felt that they did what was right; and they left to the Government of India, which had taken the task upon itself, the responsibility of refusing to provide the necessary means.

"The Government of India had totally failed to check the constant demands for increased expenditure: there was only one remedy—to prevent the demands being made; and this could only be done by imposing on the Local Governments a real and effectual responsibility for maintaining equilibrium in their local finances: there could be no standard of economy until apparent requirements were made absolutely dependent upon known available means: it was impossible for either the Supreme or Local Governments to say what portion of the Provincial revenues was properly applicable to local wants: the revenues of the whole of India went into a common fund, and to determine how much of this fund ought fairly to be given to one Province and how much to another, was impracticabley 'The distribution of the public income,' General Strachel wrote, 'degenerates into something like a scramble, in which the most violent has the advantage, with very littl. attention to reason: as local economy leads to no locae advantage, the stimulus to avoid waste is reduced to a minimum: so, as no local growth of the income leads to an increase of the local means of improvement, the interest in developing the public revenues is also brought down to the lowest level.'

"The unsatisfactory condition of the financial relations between the Supreme and the Local Governments led to still more serious evils: constant differences of opinion about petty details of expenditure, and constant interference of the Government of India in matters of trivial importance, brought with them, as a necessary consequence, frequent conflicts with the Local Governments regarding questions of provincial administration, of which they were the best judges, and of which the Government of India could know little: the relations between the Supreme and Local Governments were altogether inharmonious, and every attempt to make financial control more stringent, increased an antagonism, the mischief of which was felt throughout the public service.

"To Lord Mayo belongs the honour of applying the only effectual remedy for these serious evils: he resolved to give to the Local Governments the economical standard which they required; to make over to them a certain income by which they must regulate their local expenditure; and to leave to them, subject to certain general rules and conditions, the responsibility of managing their own local affairs.

"From the commencement of the official year 1871-72 the financial control of the following services was transferred to the Local Governments: Jails, Police, Education, Registration, Medical Services, Printing, Roads, and Civil Buildings.

"The views of Lord Mayo were stated by himself in the Legislative Council on the 18th March 1871, as follows:—'Under these eight heads it is proposed to entrust the administration, under a few general conditions to the Provincial Governments, and a fixed contribution will be made from Imperial Revenue every year. * * It is impossible to prophesy or say, at present, what can be done in the far future; but I should be misleading the Local Governments if I were not to say that it is our opinion that these sums are now fixed at an amount which cannot be exceeded for at least a number of years: I think it desirable that this should be perfectly understood; because one of our objects is the attainment of as great an amount of financial certainty as is possible. * * But, in addition to the increased power of administratio which it is proposed to give to the Local Governments, an administrative change will take place which I think they will be able to exercise with advantage. They will have large sum to devote to local objects; the power of allot ment will be left absolutely to them; and they will be abl to vary their grants for roads, civil buildings, educatio and other heads, from year, to year, as they may thin most desirable; in some Provinces it may be desirable one year to spend a larger sum on roads, in others it m be desirable to fill up some shortcomings with regard education or other objects. The Local Governments w thus be able to excercise that power of allotment w much greater satisfaction to themselves and to the pub than they did under the old system, when they were ob ed to consult the Supreme Government not only as allotments that were made in the beginning of the also with regard to any appropriations that w desirable within the year, provided that th tions exceeded a certain amount. * * I hav ed that by the proposals which we mak arise a separation of interests between the Local Governments; I fail to perceive an ever in this assertion: I believe that, so being a separation of interests, the inc responsibility and the feeling of confide

ed in them will unite and bind together the Supreme and Local Governments to a greater extent than before. * * I believe that we shall see, in place of greater uncertainty, greater certainty; we shall see works and objects carried on with more vigour, enthusiasm, and with less hesitation when these works and these objects are effected under the immediate responsibility of those who are most interested in them.'

"The gross sum made over to the Provincial Governments for these services and some few others transferred since the scheme was first introduced amounted including receipts given up to about £5,600,000.

After nearly six years' experience, we can confidently say that the results of the new system have been thoroughly satisfactory. Objections have been made to some of the details; and Local Governments have often said that the change did not go nearly far enough; but, in regard to the main principle and the general success of the new arrangements, I believe that neither the Government of India nor any Local Government has ever felt a doubt. Every object with which the change of system was made has more or less been gained: the old friction between the Supreme and Local Governments has been greatly diminished; the authority of the Supreme Government and its powers of general control, instead of being weakened, have become stronger and more real, since the attempt to interfere in all sorts of petty details was abandoned; the Local Governments have been able to carry out many measures of improvement which would otherwise have been impracticable; and, so far as I know, there has not been a single counterbalancing disadvantage.

The most important object of all, so far as the Imperial finances are concerned, that of economy and preventing increase of expenditure, has been completely gained, as I think the following figures will show. The charges which were made over to the Provincial Governments were selected because they weree specially liable to increase. In 1863-64 the net expenditure for the services afterwards transferred to the Provincial Government was £5,112,000, and during the four following years it continued to rise, until in 1868-69 it amounted to £6,030,000: in 1869-70, it was nearly the same, but a little less. In 1870-71, before the new system was introduced, a determined and successful effort was made by Lord Mayo's Government to reduce the charges which had been growing at so alarming a rate; and they fell in that year to £5,197,000. The new system of which I have been speaking was then introduced; and after it had worked for five years, the result, in 1875-76, was that the charges for the assigned services were £5,305,000: there was practically no increase of expenditure; the total charges were only about £200,000 more than they were in 1863-64; they were less by £700,000 than they were in 1868-69. It is true, as I have just shown, that the great reduction took place before the change was actually made; but, if we may judge from what had happened before, the demands of the Local Governments for larger grants to carry out administrative improvements would certainly have gone on increasing; and I believe they would have been as irresistible as before.

I will not take up the time of the Council with details showing the manner in which the charges for each of the assigned services have varied; but it may be said generally that there has been no growth of expenditure under any heads, excepting *Education* and *Medical* these charges, which were £458,000 in 1863-64, and £909,000 in 1870-71, rose to £1,007,000 in 1875 76: in other words, the people have got more Schools, and Hospitals, and Dispensaries, although less money has been spent on Jails and Police. The financial results of the new system have thus been entirely satisfactory; the constantly recurring demands, and the consequent embittering controversies between the Supreme and Local Governments have ceased; and I repeat, that not only has all this been attained without any sacrifice of financial authority on the part of the Government of India, but there can be no question that this authority is stronger and more efficient than before. From the time in which the new system was introduced until now, I do not believe that one single authority who has seen how it has worked has expressed anything but confident approval of the principles on which it was based.

When the measures of 1870 were taken there was a great deal of talk about local taxation, and it was loudly asserted that new burdens were being imposed on the country which were none the less serious for being called local. There [illegible]s no foundation for this statement, nor did [illegible] Local Governments obtain any powers of [illegible]ation beyond those which they previously pos[illegible]d: the truth is that excepting in the Punjab [illegible] Oudh, where new rates for local purposes [illegible]mposed on land by Acts of the Imperial [illegible]ture, and to a very small extent in Bombay, [illegible]sures of 1870 led to no fresh taxation [illegible]r. The estimated revenue throughout the whole of India from local taxes, rates, and cesses in 1877-78 is only £2,233,000.

The weak point in those measures was this, that, while they transferred to the Local Governments the responsibility for meeting charges which had an undoubted tendency to increase, the income of which the Local Governments had to dispose, although not quite a fixed amount, had little room for development: the difficulty has perhaps not hitherto been generally felt to a serious extent, because it has been met by economy and good management: it must, however, be felt hereafter; and, for this and for still more important reasons, I have always maintained that the system of Provincial Assignments established in 1871 ought to be applied not only to expenditure but to income. What we have to do is not to give to the Local Governments fresh powers of taxation, but, on the contrary, to do all that we can to render fresh taxation unnecessary, and to give to those Governments direct inducements to improve those sources of existing revenue which depend for their productiveness on good administration.

I will take as an example the two great heads of Income, Excise and Stamps (including the item under Law and Justice hitherto reserved as Imperial Revenue), which are estimated to yield together, this year, net, £5,393,800. The whole of this goes into the Imperial Treasury: the increase or decrease in the receipts depends entirely, in the long run, on good or bad management; and bad management means the wasteful throwing away of revenue without any relief to the country. The administration, although centralized in the Government of India, has to be carried on by the officers of the Local Governments, and I doubt whether there is a single Province in which great improvement in the administration is not possible: throughout a large part of India the evasion of the Excise and Stamp duties is notorious; and, although I will make no guesses about the amount of revenue which we are thus losing, my belief is that it is very large. I have a strong conviction of the financial importance of this matter; and the importance is not merely financial, if I am right in believing that better administration would give us a large additional revenue of a thoroughly unobjectionable character, without the country feeling that any new burdens had been imposed upon it.

How is this better administration to be obtained? The answer seems to me simple: it can be obtained in one way only; not by any action which gentlemen of the Financial Department, or any other Department of the Supreme Government, can take while sitting hundreds or thousands of miles away in their offices in Calcutta or Simla; not by examining figures and writing circulars; but by giving to the Local Governments, which have in their hands the actual working of these great branches of the revenue, a direct and, so to speak, a personal interest in efficient management. It may be very wrong, but it is true, and will continue to be true while human nature remains what it is, that local authorities take little interest in looking after the financial affairs of that abstraction, the Supreme Government, compared with the interest which they take in matters which immediately affect the people whom they have to govern. When Local Governments fell that good administration of the Excise and Stamps and other branches of revenue will give to them, and not only to the Government of India, increased income and increased means of carrying out the improvements which they have at heart, then, and not till then, we shall get the good administration which we desire; and with it, I am satisfied, we shall obtain a stronger and more real power of control on the part of the Central Government than we can now exercise.

ARRANGEMENTS WITH LOCAL GOVERNMENTS ABOUT INCOME AND ORDINARY EXPENDITURE.

We have not yet been able to work out in detail all the arrangements for carrying out this policy; and it is only with the Governments of Bengal, the North-Western Provinces, and Oudh, that it has hitherto been possible even to communicate officially on the subject. Although there will be nothing in the proposed measures requiring legislation, their importance is so great that I will give to the Council some account of the plans which have been, in all points of importance, settled with the complete and cordial concurrence of the Local Governments which I have named.

I will explain first the measures taken for the North-Western Provinces. We propose to transfer to the Local Government the revenues derived from Excise, Stamps, Law and Justice, Collections from the Tarai and Bhabar and Dudh estates, and some miscellaneous items: the total amount which the Local Government will make good to the Imperial revenues on these accounts will be £698,400: this sum exceeds by £4,700 the amount estimated to have been actually received in the present year. The most important of the revenues transferred are Excise, Stamps, and the hitherto reserved revenues under Law and Justice: the net revenue assigned under these heads is £640,600, and the transfer has been made subject to certain conditions. These sources of revenue have gone on pretty steadily increasing throughout India; and it is not proposed to surrender to the Local Governments any part of that normal growth of income which might have been expected to continue if no change of system had been made. On the other hand, while we desire that the Local Governments shall share largely in any increase of revenue to which their own improved administration may lead, it is evidently reasonable and necessary that the Imperial revenues should share in this increase also. In the North-Western Provinces, however, these particular sources of revenue have grown less, and fluctuated more, than elsewhere, and it is proposed that, for the two next years, the Local Government shall pay to the Imperial Treasury one-half of any net increase which may result from its management, the Government of India undertaking on its part to bear half of any deficit: two years hence, the arrangement will be open to revision. If there should be any new legislation intended to increase or reduce any of the assigned revenues, the amount due to the Imperial Treasury will have to be reconsidered.

As regards expenditure, it is proposed to reserve as Imperial those grants only which, for some particular reason, it seems inexpedient to transfer to provincial responsibility: these are as follows:—

	Estimated Grant, 1877-78. £
1.—Interest on other Accounts	2,400
2.—Refunds (excepting refunds of Excise, Stamps, Law and Justice, and Deposits)	9,600
3.—Settlements	102,800
4.—Allowances to District and Village Officers	32,700
5.—Special temporary increase to the pay of Covenanted Civil Servants	4,500
6.—Forests	43,700
7.—Account and Currency Offices	22,000
8.—Minor Departments	8,800
9.—Ecclesiastical	20,000
10.—Medical Establishments	28,600
11.—Political Agencies	3,000
12.—Allowances and Assignments	52,000
13.—Superannuation, Retired and Compassionate Allowances	62,500
14.—Miscellaneous	3,500
	396,100

The reasons for the reservation will, in most cases, be self-evident; and I need not trouble the Council with them: I will only say, in regard to one of the heads, "forests," that the question remains to be considered whether this ought not also to be transferred to local management. The amount provided for these reserved services in the estimates of 1877-78 is altogether £396,100.

The principal remaining services are Land Revenue, Excise, Stamps, Administration, Stationery, and Law and Justice. These and some others were estimated to cost, in 1877-78, £736,300. The existing provincial allotment for Police, Jails, Education, and the other services transferred under the arrangements of 1870, is £651,100: the total charges for which the Local Government will be responsible amounts, therefore, to £1,387,400. The Local Government, however, is satisfied that it can undertake those services with a somewhat smaller consolidated grant; and the sum of £35,400 will, therefore, be deducted from the total assignment, and will be a saving to the Imperial Treasury, leaving as the net amount to be actually granted £1,352,000. The revenues made over being £698,400, the net expenditure from the reserved Imperial revenues will be £653,600: subject to the conditions on which the transfer is made, the Local Governments will be entitled to add to its Provincial Balance any sum by which the Provincial income in any year exceeds the Provincial expenditure, and must, on the other hand, make good any sum by which that expenditure exceeds the income.

It will be incumbent upon the Local Government, in managing its finances, never to exhaust the Balance at its credit with the Government of India; the Government of India will not accept any estimates or allow any transactions which involve the expenditure of more money than is at credit of the Local Government in the Imperial Treasury; and it will be the duty of the Accountant General, on behalf of the Government of India, to take care that this condition is never infringed; to enable

the Government of India to enforce this condition, the Local Government, when submitting its yearly estimates, will always state its opening Balance, and the effect thereon of the estimates presented. Subject to this condition, and to the other rules and restrictions which have been laid down, the Local Government may spend at its own discretion the funds placed at its disposal. I need not describe these rules and restrictions in detail; but the most important of them provide that without the previous sanction of the Government of India, no fresh taxation can be imposed, or any change made in any system of revenue management; no new general service can be undertaken; no appointment with pay exceeding Rs. 250 a month can be created, or reduced, or abolished; and no class or grade of officers can be created or abolished or its pay altered; that no standing order or rule of the Supreme Government shall be changed, and that returns and accounts shall be submitted in the forms prescribed. Full power is reserved to the Supreme Government to modify, add to, or repeal any of these restrictions and conditions. The liberty of action thus conceded will not affect the duty of the Local Government to keep the Governor General in Council, in the several Departments, fully informed of its executive and financial proceedings: the Government of India will continue to exercise its general powers of supervision and control in all Departments; but it will, as far as possible, avoid interference with the details of the local administration, and everything which might lead to embarrassment of the provincial finances.

I will not take up the time of the Council by describing in detail the arrangements made for carrying out a similar change of system in Bengal and in Oudh, because they are, in all matters of principle, similar to those adopted in the North-Western Provinces. The scale, however, of the whole settlement with Bengal is much larger; the exact figures are not yet quite fixed; but the total amount of the revenue surrendered in 1877-78 for Provincial uses will not be less than £1,910,000, and the total expenditure transferred for the same year will not be less than £2,430,000. A retrenchment of £59,000 from the existing grants has been made, with the consent of the Local Government; and the existing Imperial expenditure will consequently be reduced by this sum.

Altogether, the immediate saving to the Imperial Treasury by the arrangements entered into with Bengal, the North-Western Provinces, and Oudh, is £101,700, besides the guarantee of normal increments to the transferred revenues, amounting to £44,000: the estimates of the year are thus better by £145,700 than they otherwise would have been. I hope that when it becomes possible to enter into similar arrangements in other Provinces, equally satisfactory results may be obtained.

EXTRAORDINARY WORKS.

The measures of which I have hitherto spoken will, we confidently hope, lead to improvement in administration, to economy in expenditure, and to increase of revenue, while they involve no fresh taxation. There are other measures, closely connected with them, which the Government proposes to adopt, which cannot, I am sorry to say, be carried into effect without an increase to existing burdens, an increase which, although it involves no fresh Imperial taxation, will not, on that account, be less real. We propose, so far as it may be practicable, to make each Local Government responsible, not only for the management of many of the great public works which we are constructing with borrowed money, but for meeting the charges which these works entail.

I must now refer to the system under which our so-called Extraordinary public works are carried on.

No one is more alive than I am to the importance of providing the railways and works of irrigation which India requires; and, for my own part, nothing would induce me to support a policy which interfered with their progress. Our railways have, in my opinion, been constructed on a scale more expensive than was necessary, and the system of guaranteeing interest on the capital expended has led to extravagance: I believe that the money which has been actually spent on our railways would have been sufficient, if it had been spent in a more economical way, to cover India with a net work of railway communication sufficient for all the commercial and political requirements of the country, if not for all the luxuries of locomotion: but it is easy to be wise after the event: the Government of the day had practically to choose between having these expensive railways, and having none at all; and its choice was perfectly right. Although the system of borrowing under which India has had to pay for these works has entailed very serious burdens, the benefit which they have conferred upon the country has been literally incalculable: I will say nothing of the enormous increase of wealth and prosperity which they have given us; I will only ask you to reflect on what would at this moment be happening through a vast extent of country in Western and Southern India if we had no railways: but for them the people would probably be now dying of starvation by hundreds of thousands; and it would have been beyond the power of the Government to save them, if it had devoted to the task all the resources of the Empire. With such facts as these and those which I have narrated regarding these railways in my review of the Regular Estimate, staring us in the face, the statements which we sometimes hear that these works ought not to have been constructed with borrowed money, and that we ought to have waited until we could provide the necessary funds from the surplus resources of the year, seem to me to deserve no serious consideration.

We may say the same of the great works of irrigation: the works already in operation have enormously enriched great tracts of country, and have provided for many millions of people security against famine: no one who has seen, for example, as I have, the irrigated districts of the North-Western Porvinces, and who remembers what they were before the canals were constructed, can doubt the priceless value of the benefits which they have conferred. I will not now enter into the causes, arising, in my opinion, mainly from defective systems of financial management, which, in many instances, have prevented these great and admirable works from giving as speedy and as large direct returns as they ought to have given; but I have no doubt that these causes are removeable.

Although the value of our railways and canals is so immense, and the necessity of going on with their contruction so obvious, I have always felt that the system under which we are incurring, on this account, a heavy load of debt is attended with very serious evil; and I hope that it will not be imagined that in proposing the changes of policy of which I am abous to speak, the Government intends to relax the stringency of the rules which the Secretary of State and the Government of India have prescribed in regard to the construction of public works with borrowed money: we desire, on the contrary, to make these rules more stringent and to obtain more complete security that, except under special circumstances, and for the necessary protection of great Imperial interests, no money shall be borrowed for any works in respect of which we cannot say, with certainty, that the direct receipts will, at the very least, cover the interest on the capital expended.

The system under which our so-called Extraordinary works are now carried on was described in the Resolutions of the Government of India in the Public Works Department, published in July 1873 and in June 1875: the conclusion arrived at by the Government of India in the former of these Resolutions was that we might continue, without fear of financial embarrassment, to borrow annually a sum of 4½ millions sterling for the extension of railways and irrigation works in India. The grounds of this belief were stated in the Resolution of 1875, in the followlng words:—

"In the year 1872-73, after deducting the net receipts derived from works in operation, there remained a sum of £2,378,140 charged to revenue for the interest of money borrowed, whether directly by Government or indirectly through Guaranteed Companies, for the construction of reproductive public works: the term reproductive is meant to imply, not that all these works are likely to be in themselves remunerative as an investment of capital, but that their effect will be to add to the general wealth of the country. The condition of the finances was such as to satisfy the Government of India that a similar charge of £2,378,140 might be met in future years without increased taxation. As works under progress are completed, and as those lately completed are brought into fuller work, fresh receipts will come in: some increase is also to be expected from old works. In the forecast of 1873 the rate of expenditure upon works in progress and new works was so adjusted for five years, that the estimated additional annual charge upon revenue for the interest of money to be borrowed should be met by the estimated additional receipts, and no increased annual charge upon revenue should be incurred."

The Resolution goes on to say that the forecast of 1872 had been more than justified by the facts; but that it was deemed expedient to limit to four millions sterling the annual outlay on reproductive public works classed as extraordinary, for the prosecution of which money might be borrowed.

"New tables," the Resolution continues, "have been prepared on this basis. They include the operations of 1872-73 and 1873-74 taken from the accounts of actual outlay, and those of 1874-75 taken from the Regular Estimate; the operations for 1875-76 are taken from the Budget Estimate, and those of the following four years from the best estimate that can be formed of probable operations. The new forecast extends to the financial year 1879-80. The excess of interest charges over net receipts is estimated to decrease from £2,357,696, the actual charge in 1872-73 to £1,939,806 in 1879-80. This charge in expected to average £20,203,126 per annum from 1875-76 to 1879-80 The result is on the whole much the same as in the calculations of 1873. No allowance has been made, for the probability that surplus revenue will be applied to the construction of reproductive works. It will thus be seen that a considerable margin has been allowed for safty in these calculations. The result of the new forecast is satisfactory. It appears that, taking a moderate estimate of the growth of income from existing railways and irrigation works, and very small returns from the new works, an annual capital outlay of four millions for the next five years on State Railways and Irrigation works charged with interest at 4½ per cent. is not likely to lead to any increase of annual charge on the Revenues of India."

The appendices to the Resolution of 1875 show in detail the works which it was proposed to construct with borrowed money. For State Railways it was estimated that the total outlay from extraordinary funds up to the end of 1879-80 would be £22,183,675; for irrigation works up to the same date, the estimate of outlay was £14,125,363, making a grand total to be borrowed of £36,309,038. These figures include sums expended up to 1875. According to the forecast, the net charge on the Revenues at the end of 1879-80 would be, as before stated, £1,939,806, and this sum was distributed as follows:—

	£
Guaranteed Railways	1,215,000
State Railways	568 265
Irrigation Works	156,541

I believe that these forecasts were made with excellent care and judgment; and there is no reason for supposing that the anticipations of Lord Northbrook's Government in regard to the growth of the income from the Railways and Canals will prove at all too sanguine; upon this subject I ask the attention of the Council to the facts stated in the review of the regular estimates for 1876-77 in my separate Minute. Nevertheless, in the last Financial Statement made by my predecessor, Sir William Muir, about a year ago, the Government was obliged to admit that the difficulty of carrying on the existing system had become extremely great. It was explained that, in consequence of the fall in the price of silver, the situation had become so grave, and the future so uncertain, that the Government of India had felt bound to review its position in respect of the expenditure on reproductive works from funds raised by loan: the Government, it was said, felt that it was not justified in adding to our future obligations by incurring any avoidable debt, even for the construction of works admitted to be beneficial to the country and in themselves remunerative: and it would, therefore, if it had been practicable, have altogether refrained, under the existing aspect of affairs, from borrowing for this purpose: such a course, however, could not have been taken without great loss, and it was necessary to complete the works which were in course of construction, not only to prevent waste, but in order that the capital already expended might bring in a return of revenue.

"But," it was added, "the Government of India, though thus unable immediately to stop the expenditure from borrowed funds, are resolved at once to contract the sphere of operations. * * * So long as the present adverse prospects continue, this class of expenditure will be gradually diminishhed, so as, in the end, if need be, entirely to obviate borrowing for the purpose."

The whole question of our policy of borrowing money for public works has thus been, to some extent, re-opened. The truth, I think, is that it is impossible to foresee so confidently the financial conditions of the future that we can pledge ourselves to go on borrowing money, for a number of years, at the charge of the Imperial Treasury, without any fear that difficulties will arise. The progress of great works of improvements which, if carried out at all, ought to be carried out in a regular and systematic manner, thus becomes liable to interruption at any time by any temporary financial embarrassment: last year our embarrassment was the depreciation of silver; this year, it is famine; next year it may be someting else.

Lord Mayo, in his speech in this Council on the 31st March 1871, made some observations on this subject which seem to me very true and very much to the point:—

"Unless," he said, "the Government is supported in organizing a system by which these works can be constructed without placing further serious charges upon Imperial revenue, I greatly fear that many of these important operations may not be undertaken at all, or if they are undertaken, they may run the risk of being stopped before they are finished."

And he went on to express his apprehension that we might otherwise have in a few years to witness either financial difficulty or the stoppage of some of these great and beneficial w[illegible] This anticipation has been exactly [illegible]

I am not so foolish as to imagine that [illegible] any panacea for dealing with the difficult[ies] which this subject is surrounded; bu[t] that it is possible to diminish them.

The works which have hitherto bee[n] as Extraordinary may be divided [illegible]

great Classes :—*First*, there are works of the class which I have already mentioned, which, although they are not expected to be directly remunerative, are undertaken because they are necessary for Imperial purposes. I have said all that I have to say at present regarding them; and have explained that, if any new works of this kind are undertaken, they will be treated as Ordinary, and not Extraordinary works.

Between the *second* and *third* classes of Extraordinary Public Works of which I have now to speak, there is no broad and distinct line of separation. They are, in both cases, works of improvement for developing the resources of the country, and for meeting its necessary requirements; and, in respect of them, it is anticipated that, besides the indirect advantages to the country arising from their construction, they will yield, within a moderate time, a direct income at least equal to the interest of the capital expended on them. Some of these works which I put into my *second* class are undertaken for objects of such general utility, that they may be fairly called Imperial. The great trunk lines of railway, for instance, like those which connect Calcutta with Bombay and Madras and Lahore, or that which we hope before long will be completed from Ajmere to the Bombay and Baroda line, are works which not only confer immense benefits on the Provinces and Districts through which they pass, but are essential to the wealth and prosperity of the Empire : the cost of constructing them falls properly, so long as private enterprise is not forthcoming, on the Empire at large.

But there is another class, which I call the *third* class of great works of improvement, which are primarily works of provincial or local utility, undertaken for the special benefit of certain districts or places, with the object of increasing their wealth, or protecting them against famine, or for some other purpose. The Orissa canals, for instance, have afforded to that Province an insurance against famine; the Ganges canal has given absolute immunity from famine to many districts of the North-Western Provinces; the Northern Bengal and the Tirhoot railways will be works of immense local value. There is, as I said before, no broad line of difference between such works as these and works of Imperial utility; Imperial works confer great local benefits; and works of local utility enrich the Empire; but, although the two classes of works thus run into one another, the distinction is nevertheless, a real one, and it has not been sufficiently recognized.

It has been frequently said, and I suppose no one denies it, that it is impossible to meet from the Imperial revenues the obligation of providing all the works of local improvement which India requires; but we still go on as if we believed this to be false, and continue to take in hand, at the charge of the Imperial Treasury, all sorts of works of little Imperial importance, and the value of which is mainly and primarily local. These are the undertakings which cause so much financial difficulty.

I will give a few examples of the practical results of the system which we have been following.

The total capital outlay on Irrigation works in Lower Bengal up to the end of 1875 76 was £4,072,742, and not less than £1,494,000 will be required to complete the works that are in progress. The gross income from these works in 1875-76 was £23,043, and working expenses where £52,949; there was a dead loss on the year's operations, independently of interest on borrowed capital, of £29,906 : the net loss in interest and working expenses during the year was £203,700, and the total accumulated loss up to 31st March 1876 was £878,100.

The Orissa and Midnapore Project had cost, up to 31st March 1876, £2,482,039, and it has so far been completed that water for irrigation on a large scale has been obtainable for several years past : in 1875-76, these canals yielded an income of £17,953, while the working expenses where £41,406 : including interest, the net loss on this canal was £122,567, and the total loss up to 31st March 1876 was £666,131. The further works which it is proposed to undertake in Orissa will cost about £368,000 more; and no one, I believe, pretends that, within any time which can now be foreseen, there is the remotest chance, if things are left as they are, that we shall get any adequate return from this great expenditure.

The Sône canals in Northern Bengal had cost to the end of 1875-76 £1,521,366; and more than £1,185,000 will be required to complete them : [illegible]y will be in the highest degree beneficial; [illegible] am confident that there is not, under the [illegible]nt system, any probability that they will, [illegible]ny years to come, pay the interest on the [illegible] outlay : the income in 1875 76 was [illegible] and the working expenses were £11,543. [illegible]lay stress on these figures, because the works were not finished; but it is a curious and most significant comment on them to be told, as we have been on the highest official authority, that the value of the crops saved by these unfinished canals in the single year of drought, 1873-74, was estimated at £480,000.

The lowest sum at which it is possible to estimate the capital outlay in Bengal on canals and local railways now in operation or in progress, exceeds £8,000,000. After expending £40,72,742 on canals, there was, as just shown, a dead loss to the Imperial revenues in the year 1875-76 of £203,700. I do not wish to speculate on the results that would probably be obtained under the existing system when the total expenditure reached £8,000,000; but the prospect could hardly be more unsatisfactory : and in spite of all this, the works themselves are most useful and beneficial te Bengal.

I might give similar, although less extravagant examples from the works in other provinces, but I think that enough has been said to show that there must be something radically unsound in our existing policy.

I come now to the consideration of the remedies for the state of things which I have been describing.

Six years ago, there was much discussion on the subject of compulsory water rates, and I wish to refer to that question, before going further, because it is more or less connected with the proposals which I am about to make. So much has been said and written in past times about it (and I am afraid that my own share in the discussion would fill a small volume), that I can hardly say anything which has not been said before. The question, it will be remembered, was one in which Lord Mayo took a deep interest; his views on the subject are well known, and I believe them to have been thoroughly sound. I must explain that, in what I am now about to say regarding compulsory rates for irrigation, I express my own opinions only, and in no way commit the Government at large. The practical measures which are now proposed may however, be consistently approved by those who disagree with the views which I hold regarding compulsory water-rates; and, if I refer to this subject now, I do so chiefly because I wish to guard myself personally against the charge which might otherwise have been brought against me, that I was introducing a measure which I hoped would lead to results very different from those which were apparent on its face.

The proposals which were made, some years ago, to impose compulsory rates for meeting the charges for works of irrigation, took a definite shape in certain sections of the Punjab Canals' Act, which were passed after much discussion in 1871, but were subsequently vetoed by the Duke of Argyll, who was then Secretary of State. I should be sorry to see those Sections re-enacted now : their only merit, in my estimation, was that they recognised a true and important principle; but they could not have been worked in practice, and I do not regret their loss. The principle for which I contend is simple. Under our existing system, almost the only direct returns which we obtain from our canals are those derived from the voluntary payments of the cultivators who take water for irrigating their fields. I assert that this system is wrong and irrational. In a country like India exposed not to the chance but to the certainty of periodical drought and famine, the construction of works of irrigation is often an absolute necessity. It is a necessity whether the people in ordinary seasons take the water or not, and whether the canals pay or not.

I take as an illustration the case of the Orissa canals to which I have just referred. There has been an immense expenditure of money, and the result is that an insurance has been provided against the recurrence of any such terrible calamity as the famine which happened some years ago : but in ordinary years, when the rainfall is sufficient, the people will not pay for the canal water; they know that, in case of necessity, the water is there, and that they can get it; but, under ordinary circumstances, they think they can manage well enough without it. The result is that although the Province of Orissa is secured against famine, the canal gives no direct return on the great sum of money borrowed for its construction, and does not pay even its working expenses, and the whole burden of the charge falls, not on the people really benefited, but on the Imperial revenues, or, in other words, on the tax-payers of the Empire.

I have just given similar figures for the Söne canals in Behar; the Province is rich and prosperous, and well able to pay for the great local benefits conferred upon it; but, for some reasons which I, for my part, had never been able to understand, or in the least degree to appreciate, we choose to give these advantages to the people of Behar at the cost of the people of India : the people who are to get the benefit are to pay as little as they please; the people are to pay who get almost no benefit at all. What I want to know is why irrigation works, which, in many parts of India, are incomparably the most beneficial works which it is possible to undertake, and the works which have the greatest possible local utility, are to be singled out as the only local works for which the people immediately benefited are to pay nothing. Why are districts and towns to pay for their own roads, and schools, and hospitals, for the paving and drainage of their streets, and their supply of drinking water; and why is it wrong that they should pay something for the irrigation works on which the actual existence of the people depends ?

It is idle to say that, in the one case, the people are themselves consulted before the expenditure is incurred, whereas, in the other case, the works are undertaken without any reference to their wishes; every one knows perfectly well, that, whatever may be the theory, the fact is, putting aside some altogether exceptional cases, that the people at large have no more to do with the regulation of local and municipal expenditure than with the expenditure on canals and railways; and that, for many years to come, this must continue to be true.

As it cannot be denied that we cannot go on for ever constructing at the expense of the Imperial revenues, works which will not pay, although those works may be absolutely necessary as a protection against famine, it comes virtually, under our present system, to this, that the question whether we are or are not to make canals, and whether we are or are not to save millions of people from misery and perhaps from actual starvation, is to depend on the views which certain ignorant peasants may hold in regard to their own personal interests.

Almost everything that I have been saying about canals is, in regard to some parts of India, just as applicable to railways. There are many districts in which irrigation works are not wanted or cannot be made, and where cheap local lines of railway are the proper and only effectual means for preventing or relieving famine.

I will not now discuss this subject further, because the Government of India has no propositions to bring forward in regard to it. All that we now desire is to enforce provincial responsibility for works of provincial utility; and it will be left to the Local Governments to take, if they should think fit to do so, the initiative in proposing the adoption of more complete measures under which a really local responsibility shall be enforced for meeting local wants. I do not disguise my own opinion; and it is my hope that the system which we now desire to introduce, will lead to results in the direction which I have indicated.

Our present plan is this : we desire to throw upon every Province, so far as this is now practicable, the responsibility for meeting the cost of its own local requirements.

It will be objected that to enforce strictly local responsibility in such a matter may be right; but that it is quite another thing to throw such responsibility on a whole Province : this, it may be said, is, in principle, as bad as making the responsibility Imperial. Now, I fully admit that, in my own opinion, our proposed measures, if they be taken by themselves, are imperfect; and that they ought to be supplemented by others in the manner which I have suggested. But, under exisiting circumstances, it is not possible for the Government of India to do more than distribute between the various Provinces the burden which now improperly rests on the Imperial revenues; and, in doing this and obliging each Province to meet the charges for its own works of local utility, it will have taken a great step in the right direction. It is, for instance, at any rate less unfair that the cost of the Ganges Canal should fall upon the people of the North-Western Provinces than upon the people of Madras and Bombay.

When Local Governments find that this responsibility has been imposed upon them, and that the only means of obtaining, without fresh taxation, the works of improvement which they require, is the wise and economical management of the works themselves, and the development of the income which they yield, they and their officers will take an altogether different interest in these matters from that which they feel now, when the only apparent practical result of careless financial administration is diminished profit to the distant treasury of the Empire. When new proposals to construct works of improvement with borrowed money are brought forward, the incentives to economy and care on the part of the Local Governments will be especially strong, and a powerful check will be placed on extravagant projects and enthusiastic estimates of profit. Under the present system,

every Province desires to get for its own useful works as large a share as possible of borrowed money, knowing that, whether the anticipations of future income prove to be accurate or not, there will be certain gain to the Province, and loss to the Imperial treasury alone.

The principle on which we base our proposed measures is strictly just: we start with the fact that each of our great Indian Provinces has an individuality of its own, that it is something more than a mere geographical expression; and that its people have, in a great measure, common wants and common interests. I will take as an illustration of my meaning, and of the manner in which our plans will work, the North Western Provinces and the Ganges canal: the people who actually take the water to irrigate their fields are the first who profit; the people who although they do not take the water, can do so whenever they choose, and for whom an insurance against drought has been provided, are those who profit next; but these are not the only people who derive a positive benefit from the canal; it not only gives protection against famine to a great agricultural and non-agricultural population in the tract through which its immediate influence is felt, but, now that the country is intersected with railways and roads, there is hardly any part of the North-Western Provinces which does not receive from it more or less advantage, or which may not fairly be expected to contribute something towards the cost of its construction and its maintenance. In times of drought, it provides food not only for the districts through which it passes, but for those which are less fortunately situated, and it prevents the price of grain from rising to a point which would cause privation and suffering to the poorer classes of the population.

So far, therefore, as the Government of India is now concerned, the unit with which we shall deal will be the Province which is benefited: it will be the duty of the Local Governments to endeavour, so far as may be pracicable, to distribute the charges imposed upon them, so that the burden on any district, or any class of people, shall be proportionate to benefits received.

These plans cannot be carried out without imposing fresh taxation in the Bengal Presidency. They will scarcely affect Madras and Bombay, except in regard to new works which it may be proposed to construct hereafter, and the application of these principles to those Presidencies must be reserved for future consideration. It may be added that the present time would obviously be inopportune for imposing fresh burdens in provinces suffering from famine.

ARRANGEMENTS WITH LOCAL GOVERNMENTS ABOUT EXTRAORDINARY WORKS.

I do not assert hat it will now be possible to apply these plans strictly to all cases in which canals and railways of local utility have, in past times, been constructed at the expense of the Imperial Revenues. all that we say is that they shall be applied, so far as this can now be done, without unwisely and unjustly throwing fresh burdens on Provincial resources, and always bearing in mind that there is, as I have said before, no real distinction between Imperial and Provincial taxation.

I can do little more now than explain the general principles of the policy which the Government proposes to adopt; and I can only describe in detail the plans for carrying it out in the North-Western Provinces. They are the only measures which it has been possible to bring to completion in concert with the Local Government; and they alone will at present require legislation in this Council.

The capital expended on canals in the North-Western Provinces and classed as "Extraordiary," will amount, at the end of 1876-77, to £5,291,000, and at the end of 1877 78 to £5,560,000. These figures do not include anything on account of the accumulated interest paid in past years in excess of the net income derived from the works. For our present purpose there is no propriety in making such an addition to the capital, because the interest has in fact been discharged, from year to year, as it became due, and no longer constitutes any burden on the Revenues.

The revenue of these canals from water rates, navigation, and other direct returns in 1877-78, is estimated at £310,100, and the indirect revenue, consisting of Land Revenue due to the works, at £92,300, so that the estimated gross revenue derived from the canals in 1877-78 is £402,400: the working expenses are estimated at £146,100. Thus the Net Revenue will be £256,300 or £164,000, according as the indirect revenue is or is not taken into account. One year's simple interest at 4½ per cent. on the capital hitherto expended is estimated to be £244,000. According to these calculations, therefore, the works will, in 1877-78, after providing for interest on the capital, and taking credit for the indirect Revenue, yield a surplus profit of £12,300.

These figures do not really exhibit any close approximation to a real profit and loss account. On the one hand, the sum shown as Capital Expenditure includes no interest during construction, nor does it, or the sum shown as working expenses, include any provision for Absentee allowances and Pensions, or for incidental charges, such as Stationery, Printing, Medical Stores, Imperial Supervising Offices, &c., which are not recorded in the Public Accounts as expenditure on Public Works, but under other heads. On the other hand, the amount shown as Capital Expenditure includes a large outlay on works not yet in operation, and therefore not yielding revenue. The following statement shows the estimated Capital Expenditure on the works completed to the end of 1876-77, and the Net Revenue expected to be derived from those works in 1877 78:—

Canals.	Capital expended.	Gross estimated Earnings 1877-78.	Working Expenses.	Net Revenue.
	Rs.	Rs.	Rs	Rs.
Ganges	2,80,00,000	a22,16,000	9,71,000	12,45,000
Eastern Jumna	24 24,000	6,34,000	2,17,000	4,17,000
Dhoon	6,14,000	51 000	32, 00	19,000
Rohilkhand and others.	14,62,000	83,000	68, 00	15,000
TOTAL	3,25,00,000	29,84,000	12,88,000	16,96,000

(a) Including Rs. 43,000 from Owners' Rate.

It appears from this statement that out of the total capital expended to the end of 1876-77, no less than £2,040,700 has been spent on works still in course of construction, or which are not yet producing Net Revenue, and that the interest on the capital yielding revenue, *viz*,, £3,250,000, is, at 4½ per cent., £146,250. These completed works are thus estimated to yield in 1877-78 a net profit, over and above the interest on their capital cost, of £115,650, including the indirect revenue, or £23,350 if we exclude it. Making all allowances for the omissions from the Capital Expenditure and Working Expenses above noticed, there can be no doubt that these results are very satisfactory. It must, however, be remembered that they were only arrived at after the canals had been in operation for a long period of years.

The exigencies of the Supreme Government will not admit of the surrender of any part of the Net Revenue which it now receives from these works. It has been decided that the most convenient way of adjusting this claim of the Government of India will be in the first instance to reserve to the Imperial treasury the indirect returns from the canals, which are now credited as Land Revenue: they amounted last year to £92,300: this leaves a further sum of £23,350 to be made good; but, as some of the items of the calculation are uncertain, the Government of India will be satisfied with a fixed contribution of £20,000 in addition to the indirect revenue. It must be remembered that the Imperial treasury, in thus claiming the entire profits on capital hitherto expended, only claims what it receives already, and that it foregoes, at the same time, all claims for returns on the large indirect expenditure before referred to. The Local Government will thus be responsible for making good to the Imperial treasury every year the interest on the whole capital expended, plus the sum of £20,000; and to meet these charges the Local Government will receive the whole of the Net Revenue from the works, excepting that portion of it which is credited to Land Revenue. Some special arrangements with which I need not trouble the Council, have been made regarding that portion of the canal receipts known technically as *Owners' Rate*. The amount which will thus be due from the Local to the Imperial Government in 1877 78 may be estimated at £100,000. Subject to this payment, and to certain further conditions which I shall notice presently, the Government of India will make over the whole of these works to Provincial management, and the whole of the Revenue derived from them to provincial uses. The Government of India will advance from the Public treasury the funds required for completing the irrigation works now in progress or proposed, and for the construction of Railways for local purposes. During the next three years, the account between the two Governments will, it is proposed, be settled in the manner that has been described. The arrangements will then be open to revision.

It must rest with the Supreme Government to determine how much money it can place at the disposal of the Government of the North-Western Provinces, each year, for the construction of these works. The Governor General in Council will endeavour in this matter, as far as possible, to meet the wishes of the Local Government, and to supply the necessary funds at such a rate that the works shall go on regularly to completion with no avoidable delay. The amount, however, that it is expedient to borrow for the whole of India, in each year, must be determined upon general considerations; and the Government of India alone must decide how the available funds can be most profitably distributed among the several Local Governments. The demands upon the Public Treasury, ordinary and extraordinary, are too uncertain for it to be possible for the Imperial Government to promise absolutely to supply a fixed sum to any Local Government for a succession of years.

It is understood that the capital cost of the canals and local railways now in existence, under construction, or contemplated in the North-Western Provinces, is estimated at about £8,500,000; so that, to complete the whole, there will still be £3,000,000 to spend after the year 1877-78. Assuming it to be possible to provide £400,000 annually for this expenditure during the next five years, the liabilities of the Local Government for interest and Imperial profits would increase from their present amount of £264,000 to £345,000 at the end of the fifth year; on the other hand, it is anticipated that the receipts will increase during the same period at an average rate of £20,000 a year, or from the present amount of £164,000 to about £264,000. On this assumption the amount to be contributed from other sources, which is now £100,000, would have fallen to a little over £80,000 at the close of the five years. The prospective burden undertaken by the Local Government is, therefore, never likely to become formidable. It is no doubt possible that the estimate of £3,000,000 for future expenditure may be increased; but this will not materially affect the calculation, since, in that case, the term for spending the money would no doubt be extended also.

As the burden imposed upon the Local Government becomes reduced by the growth of the net direct revenue, it is necessary that the Local Government should contribute to the Imperial Treasury a share of the advantage. It would be premature now to define what may ultimately be an equitable settlement between the Imperial and Local Government; but, as a temporary arrangement, open to revision at the end of three years, the Local Government will surrender to the Imperial Treasury one half of any reduction that it may be able to effect in the charge of £100,000 which it now undertakes. For instance, supposing that the interest plus the profits of the Imperial Treasury payable by the Local Government should increase to £300,000, and the net revenue received by the Local Government should increase to £240,000, the sum to be provided from other sources would fall from £100,000 to £60,000, and, if no further condition were imposed, the Local Government would be in a better position by the difference, *viz* £40,000. The Government of India will concede to the Local Government one half of the future advantage, reserving to itself the other half only, instead of the entire profits which it would keep for the Imperial Treasury if it were to apply to the profits of the future the same rule which has been applied to past profits accruing prior to the transfer now proposed. It is the expectation of the Governor General in Council that this arrangement will be profitable to both Goverments; because it is hoped that the change of system will lead to better administration and to increased advantage from the works.

I must add that some of the figures which I have now given may be somewhat modified before final arrangements are made; but in this case the charges will tend to diminish and not to increase the burden placed on the Local Governments.

Although I hope that the Local Government will endeavour to secure from the land more or less directly benefited by the canals larger return than those which are obtained under the existing system, several years must elapse before the completion of the great irrigation work now in progress: and until they begin to yield incom some general contribution from the Provinc will be unavoidable.

As a matter of principle, I think that the l portion of charges such as those of which speaking, ought to fall on the owners rather than on other classes, because th confered by these works will be perm whole community, however, derives vantage from them, and it is equita non-agricultural class should contrib is not thought desirable, at pres fresh burdens on the land in the N

Provinces, and without doing this we can obtain what we want.

I will now give a sketch of the plans which are proposed, leaving it to my Honorable friend, Mr. Bazett Colvin, who may now be held to represent the North-Western Provinces in this Council, to describe hereafter the details of the measures will which require legislative sanction.

The first of the proposed measures will be a not very extensive amendment of Act XVIII of 1871, which provides for the levy of rates on land for local purposes. Although these rates were only placed on a strictly definite and legal basis in 1871, they have been levied, for many years past, in the greater part of the North-Western Provinces. Every estate in which the settlement of the Land Revenue is subject to revision, is liable to the payment of local rate not exceeding five per cent., on the annual value of the land. In permanently settled estates, rates are levied for the same purposes at an amount not exceeding annually two annas for each acre under cultivation. All these rates are, in the first instance, credited to a general Provincial Fund, from which the Lieutenant-Governor is bound to assign amounts to be applied in each district for certain specified purposes. These are the construction and maintenance of Roads and Communications, Rural Police, District Post, Educations, Hospitals, Lunatic Asylums, Markets, Wells and Tanks and other local works likely to promote the public health, comfort, or convenience. The annual assignment made to each district must not be less than the total amount of local rates levied in it; but any portion of such assignment which remains unexpended at the end of the year may be spent in any way which the Lieutenant Governor thinks beneficial to the North-Western Provinces generally.

The principle is thus recognized, that these rates may, in part at least, be expended on objects of Provincial utility, and as a matter of fact a large portion of them has been so expended.

As it is not now wished to increase the burdens on the land, all that is proposed is to authorise the Local Government to make assignments from the local rates for the purpose of meeting charges on account of irrigation works and Railways of Provincial utility. It is proposed to fix the maximum amount of such assignments at 10 per cent. of the total sum levied under the Act, leaving 90 per cent. to be spent as at present; but I see no reason for anticipating that the actual proportion of the rates so assigned will amount to this maximum. The total amount of the local rates levied annually in the North-Western Provinces is about £430,000, and the proposed amendment of the law will not seriously diminish the existing grants for local purposes.

The second measure now proposed is the imposition of a light License Tax on trades and dealings in the North-Western Provinces. The Bill that will be laid before the Council is taken in great measure from a Bill proposed by Sir William Muir when he was Lieutenant-Governor in 1871, under the belief that it would be necessary to impose fresh taxation for provincial purposes. The Bill was introduced by Mr. Inglis, and passed through Committee; but the Lieutenant-Governor came to the conclusion that additional taxation was after all not necessary, and the Bill was dropped. The original bill imposed small duties on certain specified trades, and the amount of the duties in no way depended on any trader's means. Although, in this respect, the new Bill will not be so satisfactory as the old one, which would not yield as much money as we require, and the estimated receipts from which are admitted to have been greatly over-rated, no inquisition will be made into any man's actual profits, and the measure will not be an income tax in disguise. It will be similar to the License Taxes actually imposed for local purposes in many large Indian towns, and to the Pandhri tax which has long been levied in the Central Provinces. The principal trades, as the Council will see from the Bill which I hope to be allowed to introduce to-day, have been classified and graded, and a specific sum is put down against each class and grade. The highest license fees proposed are those on Bankers and wholesale dealers in country produce, and they vary from Rs. 16 to Rs. 64 a year. Other traders will have to pay smaller sums, which are in some cases as low as Rs. 2, and in no case exceed Rs. 32.

It is extremely difficult to say what this measure will probably yield, but for my present purpose I will assume it to be £50,000 a year.

If the plans which I have described are carried into effect, the first step for the Local Government to take will be to look thoroughly into its Public Works Establishments, and to consider whether the existing system under which the canals are managed, and under which the canal revenue is collected, cannot be improved and made less costly. It will then have to consider what means can be taken for increasing the income yielded by the existing canals. There will, therefore, I hope, be no necessity for depending only upon new taxation and on the assignments from local rates, for the means of meeting the new charges.

The measures which I have thus described will, it is believed, enable the Government of the North-Western Provinces to satisfy, without difficulty, the obligations imposed upon it.

The whole of these arrangements have been settled in communication with Sir George Couper, the Lieutenant-Governor, and have received in all respects his cordial approval.

In the imposition upon Bengal of similar responsibilities for meeting the charges for extraordinary public works, similar principles will be applied; but as existing works are at present unprofitable, the sum to be made good annually by the province will be larger than in the North-West Provinces. It will amount at present to about £275,000.

The Government of India is in communication with the Local Government on this subject. The Lieutenant-Governor will consider what portion of the whole burden can be recovered from the people who are primarily benefited by the works which have been constructed, and what portion must be raised by fresh taxation upon the province at large. I hope that, so far as the immediate demands of the Supreme Government are concerned, there may be no necessity for throwing on the Province generally the whole of this new demand; but on the other hand, it must be remembered that the obligations which have been placed on the Local Government will, unless the income from the works be rapidly developed, have an undoubted tendency to increase. It must also be remembered that there are new works of extreme importance urgently required in the interests of the people of Bengal for which, under the system we are now inaugurating, the Government of India will not make itself responsible. Whatever legislation may be necessary will take place, not in this Council, but in that of the Lieutenant-Governor, and it would be improper in me to refer in detail to the measures which His Honour may think fit to initiate. Any schemes for new taxation must of course first receive the sanction of the Supreme Government. It is hoped that the Government of Bengal will avail itself, as far as possible, of existing modes of raising revenue, and endeavour to extend and expand them, rather than have recourse to new and unfamiliar systems of taxation, and that it will be able to carry out all necessary measures through its present establishments: even if it were possible to devise new forms of taxation theoretically better than the forms which already exist, it would still be wiser to adhere to systems understood by the people, rather than adopt innovations which might cause dissatisfaction and apprehension, and which might lead to oppression through the creation of new collecting and assessing machinery. Although the amount to be raised is in itself considerable, the increase of taxation which it involves will really be very small, when distributed over an enormous population. I have no doubt that the Local Government will be able to adapt successfully its present system to meeting this increased demand. I am sure that it will be the universal feeling, not only of this Council, but of the public, that the initiation of the necessary measures could not be in better hands than in those of my Honourable friend Mr. Eden, and in regard to this matter the views of the two Governments are completely in accord.

In regard to the Punjab, I can say nothing definite at present. It is thought desirable to wait until the Government arrives at Simla, when it will have the advantage of the presence and co-operation on the spot of the Lieutenant-Governor and some of his most experienced officers. Meanwhile, I have the satisfaction of knowing that my honourable friend and present colleague, Mr. Egerton, who will before long assume charge of the office of Lieutenant-Governor, will give his cordial support to the principles which have been laid down, and that he anticipates no serious difficulty to their application to the Punjab.

The total amount of the contributions thus made to the Imperial Treasury for Bengal and the North-Western Provinces is estimated to be, in 1877-78, £375,000.

The combined result of the arrangements made with the Local Governments in regard to both Ordinary and Extraordinary income and expenditure is that the estimates of the coming year have been improved to the extent of £520,000.

It will be understood, from what I have already said, that it is not now possible to state exactly what portion of this amount will be provided by new taxation, but it will not exceed £325,000, and will probably be less.

FAMINE FINANCE.

The questions of which I have been speaking are closely connected with another subject of great importance. In a despatch to the Government of India, dated the 25th November 1875, the Secretary of State called attention to the question of the proper incidence of the charges which have to be incurred for the relief of famine. He said that, however plain may be the primary obligation of the State to do all that is possible towards preserving the lives of the people, it would be most unwise to overlook the great danger of tacitly accepting, if not the doctrine, at least the practice, of making the General Revenues bear the whole burden of meeting all local difficulties or of relieving all local distress, and of supplying the needful funds by borrowing in a shape that establishes a permanent charge for all future time. The Secretary of State fully admitted the difficulty of a satisfactory solution of the question of how local resources can be applied to aid in meeting local wants; but he said that this difficulty ought not to be allowed to obscure the perception of the vital importance of such a solution to the future well-being of the country, and the necessity for establishing some system under which shall be suitably recognized the undoubted responsibility which rests on the people themselves to provide for their own support.

In the instructions lately issued by the Government of India to Sir Richard Temple, in respect of the inquiries which he is now conducting with signal ability and success in the famine-stricken districts of Madras and Bombay, the same doctrine of the necessity for enforcing some system of local responsibility for providing local relief was recognized by the Government of India; and I wish that it were now in my power to inform the Council that some practical conclusions had been arrived at. This I cannot do; but the question will receive the careful consideration of the Government, and I hope that a useful solution of it may be found, by which, while the Imperial revenues are duly protected, no unjust or excessive burdens shall be imposed upon local or provincial interests. This last condition is obviously essential. Meanwhile, the measures which I have been explaining are a step in the direction which I have mentioned. By throwing upon each province the responsibility for meeting the charges necessary for providing the canals and railways required to protect its own people against famine, we give practical recognition to the principle on which the Secretary of State has insisted, and we obtain to a certain extent, though far from completely, that safeguard for the Imperial revenues which he thought so necessary. This at least is certain, that the relief of famine must be looked on as an ordinary charge to be met from revenue, and not from borrowed money.

The question has often been raised of late, whether it is really possible for the State to undertake the responsibility of preserving the lives of the people during famines, the periodical recurrence of which in India must unhappily be looked upon as certain. For my own part I do not think the answer difficult. It seems to me idle to discuss whether the Government of India, on account of financial considerations, can deliberately allow people to die of starvation. It is quite clear that it can do nothing of the kind. It is a fact which has to be accepted that life must be saved, whatever be the cost. It is conceivable that the performance of such a task might become impossible; but I can conceive many other causes which would make the Government of India by the English impossible; and I see no use in speculating on what may happen, in consequence of financial or other ruin, in some distant future, under circumstances which cannot now be foreseen.

I have tried to read for myself the lessons of the past, and they appear to me to show that if we treat this great famine question in a rational way, and base our measures on true principles, we shall find no insuperable difficulty in dealing with it. The first thing to be distinctly declared is that, while the State fully accepts the necessity of saving life, and of preventing extreme distress, it refuses to attempt to take upon itself, in time of famine, more than in any other time, the impossible task of preventing and relieving all human suffering; and that we will not allow the strong and natural desire to provide immediate remedies against present misery, to blind us to the duties which we owe to the people of the Empire at large and to future generations. The task of giving relief to all those who suffer offers the noblest opportunities of doing good to well

applied private charity and intelligence and zeal; but it cannot be undertaken by the State.

So far from the experience of past and present famines showing that the performance by the Government of its proper duties in regard to the relief of famine is, on financial grounds, impossible, all the facts seem to me to point to an opposite conclusion. It is not only in the relief of famine that it is easy to throw away millions; and, whenever there has been a very heavy expenditure on famine relief, it has (such at least is my belief) resulted from causes which, we can now see, might have been avoided, and which we ought to be able to avoid in future. I earnestly hope that we shall not allow the present famine to pass away, without learning from it the necessity of adopting a clear and definite policy for dealing with such calamities in future. I believe that we can undertake to do everything that a Government ought to do, without any of the ruinous consequences which are sometimes predicted. Very serious obligations are undoubtedly imposed upon us. We must and will take measures for guarding against the dangers with which these periodical famines threaten our finances; and, although I cannot now say what those measures will be, the Government of India will not shrink from the duty which rests upon it.

OTHER FISCAL REFORMS.

When, my Lord, only a few months ago, I accepted my present office, I looked forward confidently to proposing in my first Financial Statement several fiscal reforms of extreme importance. I hoped, among other things, that we should have been able to undertake measures which it has long seemed to me are more urgently required than almost any that can be named; measures for the reform of the system under which the salt duties are levied throughout India; for enabling the people, through vast tracts of country, to obtain what they cannot obtain now—plentiful supplies of cheap salt; for abolishing that opprobrium of our Government, the Inland Customs Line; and for getting rid, at the same time, of one of the very worst taxes ever levied by a civilised Government, the transit duty on sugar the produce of our own territories. I hoped, at the same time, that it would have been possible to take a really practical and decisive step towards redeeming the pledges given by the Secretary of State for the removal of the Customs duties on cotton goods. Those pledges were, in my opinion, wisely given, and I looked forward with the greatest satisfaction to being able to take an active part in carrying out the policy which Her Majesty's Government has approved. Unfortunately these hopes have been disappointed. The terrible famine, from which so large a portion of India is now suffering, and which causes such unceasing anxiety to the Government, and imposes such serious burdens on the finances, has rendered it impossible to deal with these questions. The next best thing, however, to bringing great measures into effect, is to prepare the way for their execution hereafter; and I desire to tell the Council and the public what the policy is which the Government is firmly resolved to carry out: the Government has a distinct programme which it intends to keep constantly in view.

THE SALT DUTIES.

There is, perhaps, no great Indian question which has provoked so much discussion as that of salt, and no question on which high authorities have come to more opposite conclusions: it has been declared, on the one hand, that among all the main sources of the existing income of the State, the tax upon salt is one of the best, and one of those least felt by the people, and that by means of it we raise a great revenue with the least possible objection: it has been frequently declared, on the other hand, that of all taxes this is the worst and wickedest.

If I were to attempt to repeat to the Council all that has been said in support of these contending views, I should not get through my Financial Statement to-day: all that I can do is to state the conclusions of the Government, and the reasons for them: having, for many years past, given to this subject a large share of my attention, I feel great confidence that the policy is right which the Government, with the approval of the Secretary of State, intends to pursue.

It is unnecessary now to discuss the question whether salt is or is not a proper subject for taxation in India. We, obviously, cannot do without the revenue which it gives us. For my own part, however I believe the tax to be, on principle, open to no objection; and this is the view which was laid down by the Secretary of State when the question was before him some years ago. I will read to the Council an extract from a despatch from the Duke of Argyll on this subject, dated the 21st January 1869, not only because it appears to me to express, with great clearness, views which are statesmanlike and true, but because it contains, I believe, the last authoritative statement of opinion on this subject given by Her Majesty's Government to the Government of India:—

"On all grounds of general principles, salt is a perfectly legitimate subject of taxation. It is impossible, in any country, to reach the masses of the population by direct taxes. If they are to contribute at all to the expenditure of the State, it must be through taxes levied upon some articles of universal consumption. If such taxes are fairly adjusted, a large revenue can be thus raised, not only with less consciousness on the part of the people, but with less real hardship upon them than in any other way whatever. There is no other article in India answering this description upon which any tax is levied. It appears to be the only one which at present, in that country, can occupy the place which is held in our own financial system by the great articles of consumption from which a large part of the imperial revenue is derived. I am of opinion, therefore, that the Salt tax in India must continue to be regarded as a legitimate and important branch of the public revenue.

"It is the duty, however, of the Government to see that such taxes are not so heavy as to bear unjustly upon the poor, by amounting to a very large percentage upon their necessary expenditure.

"The best test whether an indirect tax is open to this objection is to be found in its effect upon consumption.

"I observe that several of those officers whose opinions upon this question have been given in the papers before me, found that opinion upon what they have heard, or what they have not heard, in the way of complaint among the native population. But this is a very unsafe ground of judgment. It is one of the great advantages of indirect taxation, that it is so mixed up with the other elements of price, that it is paid without observation by the consumers. Even at home, where the people are so much more generally educated, and more accustomed to political reasoning, the heavy indirect taxes formerly levied upon the great article of consumption were seldom complained of by the poor. They were not themselves conscious how severely they were affected by those taxes, and how much more of the articles they would consume if the duties were lower. But whilst this peculiarity of indirect taxation makes it a most convenient instrument of finance, it throws additional responsibility upon all Government which resort to it, to bring the most enlightened consideration to bear upon the adjustment of taxes which may really be very heavy and very unjust without the fact being perceived or understood by those on whom they fall."

The Government has endeavoured to give to this great question the consideration which the Secretary of State thus referred to: Does the Salt tax press heavily and unjustly on the people?

I must state, in the first place, that, although the Government of India has adopted the conclusions which I shall presently describe, it must not be supposed that the Government is committed to every opinion which I am about to express: I do not know that, in fact, any difference of opinion exists among the members of the Government; but on a question of so much difficulty, there may be many matters of detail in which unanimity can hardly be expected.

The circumstances under which the Salt duties are levied vary greatly in different parts of India, Bengal and Assam, with sixty-seven millions of people, get nearly the whole of their salt supply from Cheshire, a result mainly of the fact that the exports which India sends to Europe greatly exceed the imports which she receives. Salt comes virtually as ballast. Almost the only local source within easy reach, from which Bengal can obtain salt, is the sea, and the natural facilities for making salt on the Northern coasts of the Bay of Bengal are not great: the climate is so damp that salt cannot easily be obtaind by the cheap process of solar evaporation; and owing to the vast quantities of fresh water poured in by the Ganges and Brahmaputra, the sea is less salt than on the other shores of India.

In Madras and Bombay, on the other hand, containing together about forty-seven millions of people, the manufacture of salt from the sea is cheap and easy; and, for these Presidencies as well as for the greater part of the Central Provinces and the Native States of Southern India, the sea is the great source of supply.

Coming to Northern India we find that the Punjab possesses inexhaustible supplies of rock-salt, which is consumed by about fourteen millions of people. Throughout the North-Western Provinces and Oudh, and a portion of the Central Provinces and of the Punjab, on the other hand, although there are many places where more or less impure salts can be produced, the home sources for the supply of good salt could never be sufficient. Forty-seven millions of our own subjects depend almost entirely for their salt on the Native States of Rajputana or on places on the confines of those States.

The system under which the duty is levied, and the rate of duty, vary in the different provinces. In Madras and Bombay the rate of duty is Re. 1-13 per maund (82 lbs): in Madras this is collected under a monopoly by which all salt is manufactured on behalf of the Government, and sold to the people at a price which gives a profit equivalent to the duty. In Bombay the duty is levied as an excise. In Lower Bengal the tax is Rs. 3-4 per maund, and is levied chiefly in the form of a Sea Customs Import duty. In the Upper Provinces of this Presidency the rate is Rs. 3 per maund: in the Pubjab, this is included in the selling price of the rock salt, which is the property of the Government; and in the rest of the Upper Provinces, the duty is levied when the salt is imported from Rajputana.

For this purpose, and to prevent the ingress of salt taxed at lower rates, a Customs Line is maintained, extending from a point north of Attock to near the Berar Frontier, a distance of more than fifteen hundred miles: similar lines, some hundreds of miles in length, are established in the Bombay Presidency, to prevent untaxed salt from Native States entering British territory. Along the greater part of this enormous system of Inland Customs Lines, which, if they were put down in Europe, would stretch from London to Constantinople, a physical barrier has been created, comparable to nothing that I can think of except the great wall of China: it consists principally of an impenetrable hedge of thorny trees and bushes, supplemented by stone walls and ditches, across which no human being, or beast of burden, or vehicle, can pass without being subjected to detention and search: it is guarded by an army of some eight thousand men, the mass of whom receive as wages six or seven rupees a month. The bare statement of these facts is sufficient to show the mangitude of the evil.

Although I believe that every thing is done which can be done under such circumstances to prevent abuses, it may be easily imagined what inevitable and serious obstruction to trade, and annoyance and harassment to individuals, must take place: I remember a graphic account by Sir George Campbell, in which he described the evils of this system, and the instruments of the nature of cheese-tasters which are thrust into the goods of every one whose business takes him across the line. The interference is not confined to the traffic passing into British territory; for, owing to the levy of the export duty on sugar, to which I have still to refer, the same obstructions are offered to the traffic passing in the other direction. In spite, however, of the evils inseparable from the existence of an Inland Customs Line, it is practically impossible to dispense with it so long as we levy our Salt tax at different rates in different Provinces, and have no means of controlling the manufacture and taxation of salt produced in Native States until the salt reaches the British Frontier.

The great object at which the Government ought to aim is to give to the people, throughout India, the means of obtaining, with the least possible inconvenience, and at the cheapest rate consistent with financial necessities, a supply of salt, the quantity of which shall be limited only by the capacity of the people for consumption.

Although much has been done, during the last six or seven years, towards this object, we are still far from its attainment: a comparison between the average consumption of salt per head in different parts of India proves, incontestibly, that, where salt is cheap and abundant, the consumption is much larger than where it is dear, and where the supply is restricted. In Madras, for instance, the recent inquiries of the Salt Commission show an average annual consumption of more than 12 lbs. per head; and, in the greater part of the Bombay Presidency, the rate does not fall much short of this: in Bengal the consumption is about 9½ lbs. per head; while in the North-Western Provinces and Oudh, although it is very difficult to speak positively on the subject, the rate can hardly exceed, if indeed it amounts to, 6 lbs. per head.

The existing system in Northern India has not even the merit of being financially profitable: for instance, the Madras Salt Commission show that thirty-four millions of people in that Presidency pay Salt duty at Re. 1-13 per maund, amounting to £927,000: if these people, instead of consuming more than 12 lbs. a head, consumed, like the people of Northern India, less than half that amount, and paid a duty of Rs. 3 per maund, the revenue would be only £750,000. There can be no doubt that, in the interests of the revenue, the best system would be that under which we should levy throughout India a low rate of duty on unrestricted consumption.

I have a strong belief that more than a hundred millions of people fail now to obtain a full supply of salt: I do not for a moment assert, nor believe, that the actual supply is insufficient for the preservation of health; nor do I at all agree with those who maintain that the salt tax falls with extreme severity on the poorer

but, however, this may be, it is a great evil that the supply of this necessary of life should be restricted; and the restriction is not only mischievous in respect of human consumption, but in this way also, that there is little salt for the cattle, and little for any of the manufacturing processes in which it would be useful.

It must not be forgotten, however, that the price of salt depends not only on the amount of the duty imposed, but on other charges: for example, as I have said elsewhere, the North-Western Provinces depend practically for their salt on the inexhaustible supplies which exist in the Natives States of Rajputana: for a long time, the British Government acted as if it were its object to aggravate by artificial obstructions the natural difficulties in bringing the salt into its own territories; we placed between our markets and the salt sources a great Customs Line; imposed on all salt crossing it a heavy duty; and ignored everything on the other side of that line: thus, for example, salt from Sambhar had to find its way two hundred miles through Native States, with no roads or bridges, and subjected to imposts, and exactions, and hindrances of every kind, until, at last, it came to the greatest hindrance of all, our own preventive line.

For such a state of things it was obvious that the mere reduction of the duty would do little or no good: the salt dealers, and not the consumers, would have been the chief gainers: with the existing means of communication, it was a physical impossibility to bring from Rajputana the salt required for some fifty millions of people: that task was one that could not be performed by any number of carts, and camels, and ponies which it was possible for the country to furnish; and these were the only means of transport: therefore it was that I have sometimes asserted that there was a salt famine in Northern India, meaning thereby, not only that salt was dear, but that sufficient salt could not be provided. For such a condition of things reduction of duty would no more afford a remedy than it would be a remedy in a food famine to give money to the people when no food existed in the markets: Lord Mayo saw that there were two essential conditions to be fulfilled before relief could be found: it was necessary to provide cheap means of transport, to a practically unlimited extent, between the salt of Rajputana and our own markets; and also to make arrangements by which the price of salt to our people should be freed from influences outside our territory.

The first condition could only be provided by making railways into Rajputana; the second condition rendered it necessary that our Government should obtain complete control over the manufacture and supply of salt at the chief places of production. The first of these two conditions has recently been fulfilled by the extension of railway communication from Agra and Delhi to the Sambhar salt lake: towards the second a great step was made when we obtained, under Lord Mayo's administration, from the States of Jaipur and Jodhpur the lease of this lake, the most important of the salt sources of Rajputna, and acquired, by an amicable arrangement which was as profitable to the Native Chiefs as to the British Government, the complete control over the local manufacture of salt.

The practical result of these measures has already been, not only to facilitate the supply of salt to the Upper Provinces, but greatly to reduce its price: salt which, before 1869, was sold at Agra for Rs. 5-12 per maund, is now procurable for Rs. 4, and the price is still diminishing.

During the administration of Lord Northbrook, another important step in advance was taken: in 1874 about 800 miles of the Customs Line in the Central Provinces, maintained for the purpose of levying the difference between the duty on salt levied in the Central Provinces and that levied in the Bombay and Madras Presidencies, was abolished: at the same time, the difference between the rates of duty levied in the Bengal and Madras Presidencies was shaded off by a sliding scale down the Orissa and Ganjam Coast: the result of these measures has been greatly to reduce the price of salt in the Central Provinces and in Orissa, with practically no financial loss to the Government.

Recently the extension of the Northern State Railway to Jhelum has stimulated the sale of rock-salt at the Government mines in the neighbourhood, and decreased its price to the people.

We are, at present, engaged in further negotiations with the Native States of Rajputana, which, when completed, will enable us to abolish the greater part of Inland Customs Line, and establish, instead of it, a system of local establishment at the places of production: the arrangements now in progress will benefit not only the Government, but the Native Chiefs [illegible] is no antagonism between our interests; and I confidently anticipate a successful issue. It will not, however, be possible to abolish the Inland Customs Line simultaneously with our obtaining the control over the manufacture of salt at the places of production: there will be for some time, in Rajputana and Central India, large quantities of salt which have left the places of production and are scattered about in the hands of traders: if the Customs Line were removed, this salt might be brought into British Territory; and, if it could not be taxed, a corresponding loss would be occasioned to our Salt Revenue. Although, therefore, establishments on the line may be, to some extent, reduced, the line will not be removed, or the pass system abolished, until the Government is satisfied that there do not exist outside the Line large stocks of salt which has not been taxed, and which cannot be otherwise prevented from entering British Territory until it is taxed. Nor would it be safe to abolish the Customs Line until we learn by experience whether our arrangements for controlling the salt manufacture are efficient or not.

Moreover, before these objects can beacc omplished, it will be necessary to take steps towards the equalization of the duties on salt; and this is also an indispensable preliminary to their general reduction: I had hoped on this occasion to have been able to announce some immediate measures in this direction; but, as I have already stated, this is rendered impossible by the famine. I should have been glad, had it been possible, to have seen an immediate reduction in the rate of duties in the Bengal Presidency to that in force in Madras and Bombay: but there is reason to fear that, before this point can be reached, it will be necessary that some temporary measures should be taken for raising the lower rates of duties while lowering the higher.

SUGAR DUTIES.

I have alluded to the duties levied on sugar exported across the Inland Customs Line: these are one rupee per maund on refined sugar, and six annas per maund on unrefined sugar, or saccharine produce. Except where the line runs along the left bank of the Indus, exports across it are taken to Native States; but, when it passes the Indus, the sugar is merely taken from one part of British territory to another. This sugar is all the produce of our own people in the North-Western Provinces, Oudh, and the Punjab: it is one of the most important agricultural staples of those provinces; and it is important not only to the agriculturists and manufacturers and consumers, but directly to the Government, which looks greatly to sugar cultivation for its irrigation revenue.

While we are taxing heavily our own sugar grown on the east of the Customs Line, for the supply of the country beyond it, we admit into the same country the Mauritius sugar, which is imported largely to Bombay, taxed at a much lower rate. It is calculated that the Inland Customs duty is equivalent to 10 per cent. on the value; but the incidence of the duty varies considerably, particularly on refined sugar: on the cheaper kinds the duty is equivalent to more than 20 per cent. on its value: the sea import duty on Mauritius sugar is 5 per cent. *ad valorem*. I do not assert that there is, at present, any great competition between the sugar of the Upper Provinces of this Presidency and foreign sugar; but, so far as competition exists, the Inland Customs duty acts as a protective duty in favour of foreign and against our own sugar: to this extent, the duty must fall on the producer within the Customs Line. The competition will be more apparent and severe when the connection of the Rajputana State Railway with the Bombay and Baroda Line is completed.

Little or no sugar is grown in Rajputana or Central India; and the increase of price caused by the Inland Customs Line must tend to diminish consumption, and so, still further, to injure the producer: it is impossible to estimate the injury to the people and the Government caused by placing artificial obstructions on the export of one of the great agricultural staples of the country; and such obstructions obviously affect not only the export but the import trade as well: the Government of India has repeatedly urged upon Native States the policy of abolishing their transit duties; but it is difficult to see with what consistency we can do this, so long as we retain our Sugar duties. They yield about £165,000 a year: this is my only excuse for not proposing their instant abolition: they will, at any rate, disappear with the abolition of the Inland Customs Line.

COTTON DUTIES.

My Lord, I have reserved to the end of my Statement the remarks which I wish to make regarding the Customs duties on cotton goods. I do not now wish to re-open the discussion which was finally closed last year by the Secretary of State: it was then decided by Her Majesty's Government that "the interests of India imperatively require the timely removal of a tax which is at once wrong in principle, injurious in its practical effect, and self-destructive in its operation." The Secretary of State, while leaving to the judgment of the Government of India the mode in which the policy thus laid down should be carried out, declared his opinion that measures for the abolition of these duties should have priority over every other form of fiscal relief to the Indian tax-payers Financial embarrassments arising from the depreciation of silver prevented any practical steps being taken, last year, in this direction it was thought unwise to give up any revenue at such a time; and the Secretary of State concurred in this decision. It is with great regret that I have to announce that, for reasons similar to those which prevailed a year ago, it has been decided that nothing can be done, at the present moment, towards the abolition of these duties: the financial difficulties caused by the famine are so serious that we cannot sacrifice any source of income.

I regret this, not only because we are thus unable to carry out the orders of Her Majesty's Government, to which this Government owes a loyal and unhesitating obedience, but I regret it, personally, because, as the Council are aware, I am no recent convert to the policy which has been laid down, but have been, for many years past, one of those who have advocated the abolition of these duties at the earliest possible opportunity.

I altogether disbelieve that there is, in this matter, any conflict between Indian and English interests: I am satisfied that these interests are identical, and that they alike require the abolition of this tax. I will not speculate on what ought to have been done if the case had been different; but there is one thing which I wish to take this opportunity of saying: we are often told that it is the duty of the Government of India to think of Indian interests alone, and that if the interests of Manchester suffer it is no affair of ours: for my part, I utterly repudiate such doctrines: I have not ceased to be an Englishman because I have passed the greater part of my life in India, and have become a member of the Indian Government. The interests of Manchester, at which foolish people sneer, are the interests not only of the great and intelligent population engaged directly in the trade in cotton, but of millions of Englishmen: I am not ashamed to say that, while I hope that I feel, as strongly as any man, the duties which I owe to India, there is no higher duty in my estimation, than that which I owe to my own country. I believe that our countrymen at home have a real and very serious grievance, and that it is no imaginary injury against which they complain: I know that your Excellency has resolved that the Government of India shall not shirk this business; and there need be no fear that it will be regarded in any half-hearted spirit. Your Excellency took the earliest opportunity which could be found, after you had assumed the office of Viceroy, to declare publicly your views upon this subject; and if I say no more regarding it now, it is mainly because I feel sure that your Excellency will not lose the present opportunity of publicly declaring those views again: for myself personally, if I had not confidently expected to take part in this great reform, I doubt whether anything would have induced me to accept my present office; and I trust that I may still have a share in the performance of a task which I look upon as one of the most important which this Government has before it.

It is important, in my opinion, not only on its own account, but for the results which may follow hereafter. The net Sea Customs Revenue proper of India amounted in 1875-76 to £2,475,530, of which the duties on cotton goods yielded £850,000: when the cotton duties are removed, there will remain export duties on rice, indigo, and lac yielding together £620,000; and import duties on a

multitude of articles yielding £930,000: excluding the duties on cotton goods, the Export and import duties together give £1,550,000: many of these duties are so objectionable that it is impossible that they can last: and can it be supposed that we should long continue to maintain huge establishments for the purpose of levying the small remnant of revenue that might survive? The truth is that cotton goods are the sole article of foreign production which the people of India largely consume, and there is no possibility of deriving a large customs revenue from anything else: I do not know how long a period may elapse before such a consummation is reached; but whether we see it or not, the time is not hopelessly distant when the ports of India will be thrown open freely to the commerce of the world.

CONCLUSION.

I feel, my Lord, that the Statement which I have made tod-ay is open to this general objection, that I have said comparatively little of what has actually been done, and a great deal of what may be done in the future: I may be told that it is seldom wise for a Government to go out of its way to pledge itself to Measures which it intends to adopt hereafter, and which may turn out, after all, to be impracticable. Under our present circumstances, I do not think that this is applicable to us: a distinct conception having been formed of some at least of the great objects at which our financial policy ought to aim, it seems to me highly desirable that a clear and public avowal of those objects should be made: the Government may thus hope to obtain the greatest advantage which an honest Government can desire,—a full examination and discussion of its proposed policy: such discussion will either help it to carry that policy into effect, or will enable it to avoid errors into which it might otherwise fall.

I have now, my Lord, finished my Statement: I have endeavoured to place before the Council and the public all the facts which it seemed to me might help them to form an accurate judgment on our financial position and on our proposed policy. I have not attempted to keep out of sight anything which was unpleasant; but have perhaps rather been inclined to err in the other direction, and to bring almost too prominently into notice the weak points of our financial administration.

The final result which seems to me to come out very clearly is that the finances of India are, on the whole, in a prosperous and satisfactory state; and, that although there are some serious defects of system, they can certainly be removed: while I do not disguise from myself the fact that there may be grave difficulties before us, I look forward to the future not only with hope but with confidence.

REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA IN INDIA AND IN ENGLAND.

REVENUE.

—	Accounts, 1875-76.	Budget Estimates, 1876-77.	Regular Estimates, 1876-77.	Budget Estimates, 1877-78.
Civil.	Rs.	Rs.	Rs.	Rs.
Land Revenue ..	21,50,50,380	21,38,22,000	20,00,63,000	20,94,08,000
Tributes and Contributions	72,61,880	70,00,000	70,50,000	69,79,000
Forest	67,25,280	60,00,000	61,20,000	57,92,000
Excise on Spirits and Drugs	2,49,32,320	2,52,50,000	2,48,75,000	2,56,17,000
Assessed Taxes	5,100	...	2,000	...
Customs	2,72,25,330	2,62,00,000	2,46,92,000	2,48,69,000
Salt	6,24,44,150	6,30,00,000	6,34,30,000	6,34,30,000
Opium	8,47,14,250	8,20,00,000	9,17,68,000	8,61,00,000
Stamps	2,83,53,680	2,83,70,000	2,86,40,000	2,89,64,000
Mint	11,04,890	12,40,000	21,43,000	17,50,000
Post Office	76,37,650	77,80,000	80,38,000	82,59,000
Telegraph	30,90,400	29,00,000	33,21,000	31,55,000
Law and Justice	79,64,600	84,20,000	80,83,000	84,27,000
Police	8,41,600	5,28,000	6,56,000	7,00,000
Marine	23,04,310	20,04,000	20,86,000	20,19,000
Education	10,38,910	10,28,000	10,12,000	10,19,000
Interest	56,11,890	50,80,000	51,99,000	51,25,000
Receipts in aid of Superannuation, Retired & Compassionate Allowances	74,91,660	59,40,000	59,68,000	59,74,000
Gain by Exchange	39,53,650	34,70,000	46,27,000	38,79,000
Miscellaneous	36,82,710	34,81,000	37,72,000	27,93,000
Total	50,14,34,640	49,35,13,000	49,15,45,000	49,42,59,000
Army	1,04,56,130	87,80,000	91,06,000	89,20,000
Public Works Ordinary	13,80,053	12,84,000	13,41,000	19,95,000
Irrigation	51,77,200	52,70,000	50,07,000	55,16,000
State Railways	28,95,120	41,50,000	36,96,000	67,48,000
Provincial Contributions	14,81,150	3,07,000	1,85,000	41,51,000
Balances of Local Governments decreased	23,33,594	16,50,000	11,87,000	3,38,000
Grand Total	52,51,57,887	51,49,54,000	51,20,67,000	52,19,27,000
Deficit, excluding Public Works Extraordinary	...	...	2,27,83,000	62,17,000
Deficit	2,60,17,468	3,61,50,000	6,07,83,000	4,24,97,000

EXPENDITURE.

—	Accounts, 1875-76.	Budget Estimates, 1876-77.	Regular Estimates, 1876-77.	Budget Estimates, 1877-78.
Civil.	Rs.	Rs.	Rs.	Rs.
Interest on Funded & Unfunded Debt	5,17,81,080	5,36,00,000	5,41,07,000	5,64,65,000
Interest on Service Funds and other Accounts.	38,58,600	39,07,000	38,61,000	35,96,000
Refunds & Drawbacks	34,63,175	30,49,000	29,10,000	30,60,000
Land Revenue	2,53,34,500	2,48,79,000	2,50,98,000	2,50,66,000
Forest	40,36,682	41,74,000	43,89,000	41,83,000
Excise	10,13,231	8,70,000	10,83,000	10,71,000
Customs	18,67,571	18,92,000	19,51,000	19,33,000
Salt	50,75,796	52,60,000	48,65,000	51,87,000
Opium	2,21,85,650	2,20,00,000	2,80,18,000	2,36,00,000
Stamps	10,64,716	10,30,000	9,77,000	9,82,000
Mint	10,76,260	9,40,000	12,97,000	8,92,000
Post Office	84,85,035	86,91,000	86,37,000	89,43,000
Telegraph	49,06,240	48,80,000	49,18,000	49,55,000
Administration	1,42,69,076	1,39,40,000	1,45,92,000	1,42,32,000
Minor Departments	34,49,947	31,48,000	31,33,000	32,28,000
Law and Justice	3,21,24,471	3,27,46,000	3,25,71,000	3,29,44,000
Police	2,13,00,488	2,10,18,000	2,11,74,000	2,09,50,000
Marine	62,98,671	57,62,000	56,64,000	54,47,000
Education	75,51,205	77,18,000	73,45,000	74,13,000
Ecclesiastical	16,21,888	16,63,000	16,63,000	16,66,000
Medical	60,79,717	59,39,000	59,24,000	59,89,000
Stationery and Printing	43,75,751	36,68,000	40,93,000	41,42,000
Political Agencies	43,33,370	34,92,000	53,31,000	39,60,000
Allowances and Assignments under Treaties and Engagements	1,71,37,240	1,69,60,000	1,67,89,000	1,67,35,000
Civil Furlough & Absentee Allowances in England	22,91,990	22,30,000	24,06,000	23,81,000
Superannuation, Retired & Compassionate Allowances	1,93,93,050	1,79,60,000	1,80,05,000	1,81,27,000
Loss by Exchange	1,42,97,220	2,33,20,000	2,13,51,000	1,60,00,000
Miscellaneous	33,06,444	20,12,000	24,27,000	20,26,000
Famine Relief	59,57,793	...	1,91,10,000	1,42,50,000
Total Civil	29,79,36,857	29,67,48,000	32,36,89,000	30,94,23,000
Army	15,30,84,590	15,97,90,000	16,20,77,000	16,23,86,000
Public Works Ordinary	4,42,72,376	4,03,08,000	4,09,22,000	3,96,96,000
State Railways	21,47,130	29,70,000	26,54,000	48,30,000
Land and Supervision (Guaranteed Railways)	8,33,130	9,30,000	9,12,000	7,80,000
Guaranteed Interest, less net Traffic Receipts.	97,53,098	1,26,00,000	41,93,000	1,00,00,000
Balances of Local Governments increased	4,41,884	1,68,000	4,03,000	10,29,000
Total Ordinary.	50,84,69,065	51,35,14,000	53,48,50,000	52,81,44,000
Public Works Extraordinary.	4,27,06,290	3,75,90,000	3,80,00,000	3,62,80,000
Grand Total.	55,11,75,355	55,11,04,000	57,28,50,000	56,44,24,000
Surplus, excluding Public Works Extraordinary	1,66,88,822	14,40,000	...	...
Gross Guaranteed Interest	4,69,02,996	4,73,28,000	4,71,01,000	4,71,82,000
Net Traffic Receipts	3,71,49,898	3,47,28,000	4,29,08,000	3,71,82,000
Guaranteed Interest, less net Traffic Receipts	97,53,098	1,26,00,000	41,93,000	1,00,00,000

EDWIN KELLNER, Offg. Deputy Comptroller General.
E. F. HARRISON, Comptroller General.
R. B. CHAPMAN, Secy. to the Govt. of India.
Fort William; Financial Department, 15th March 1877.

THE BOMBAY CHAMBER OF COMMERCE.

A SPECIAL general meeting of the Bombay Chamber of Commerce was held on Friday afternoon, in the Board Room of the Association, Parsee Bazaar Street. The Hon. Donald Graham presided, and there was an unusually large attendance, among those present being:—Mr. Nicolson,—Edward Bates and Co.; Mr. Brandenburg,—Bell, Brandenburg and Co.; Mr. Moore,—Campbell, Mitchell and Co., Mr Weber,—Finlay, Muir and Co.; Mr. W. Lang,—Finlay, Scott and Co.; Mr. C. H. Forbes,—Sir Charles Forbes and Co.; Mr. Bythell and Mr. Fiedler,—Gaddum and Co.; Mr. Croft,—W. and A. Graham and Co.; Mr. Cheetham,—Greaves, Cotton and Co.; Mr. Sedgewick,—Killick, Nixon and Co.; Mr. Bickerdike, Knoop and Co.; Mr. C. Macdonald,—C. Macdonald and Co.; Mr. H. Maxwell,—W. Nicol and Co.; Mr. Owen, Owen and Okell; Mr. C. Poole,—Peel, Cassels and Co.; Mr. T. F. Punnett,—Punnett and Co.; Mr. Fachini,—Ralli Brothers; Mr. Mowat and Mr. Douglas,—Ritchie, Steuart and Co.; Mr. E. Sassoon,—D. Sassoon and Co.; Mr. Bryce,—Wallace and Co.; Mr. Janni,—the Austro-Hungarian Lloyd's S. N. Company; Mr. Finlayson,—the Chartered Mercantile Bank of India, London, and China; Mr. F. D. Parker,—the P. and O. S. N. Company; and Mr. Grondona,—the Rubattino S.N. Company.

The notice convening the meeting was first read by the Secretary, Mr. Gordon.

THE LATE CAPTAIN HENRY.

The Chairman said—Gentlemen, before proceeding to our ordinary business we have one sad duty to perform, a duty which is sad in the occasion which has called for it, but which is not altogether unmingled with a feeling of pleasure of a certain kind in that, in recording our sense of the high qualifications of our late Chairman, and in expressing our sympathy with his widow in her bereavement, we are offering some slight consolation, if any consolation would be of avail at such a time. Perhaps it may not be of much value now, but in future years, when time has softened the blow, perhaps a record of his high qualities may prove of some gratification to her, and we may well believe that as his children grow up in years and are able to appreciate it, they will look with pride on the record of the honour in which their father was held by those who knew him best. Gentlemen, the resolution which I have now to propose was passed by the Committee soon after the sad event, and it now only remains for the Chamber to confirm it. It is as follows:—"That the Chamber of Commerce deeply regrets the death of Captain G. F. Henry. As Chairman of the Chamber, to which office he was unanimously elected in October last he had, by his great experience in commercial affairs, tact, courtesy, and ability, won the respect of all its members, and they desire to place on record the great loss which the Mercantile Community as by his melancholy death sustained." I do not think, gentlemen, that by anything I might add I shoud increase the feelings with which we shall pass this resolution. With us, it is no matter of mere formality. I am sure the large attendance here to-day testifies to the reality of feeling and the sincerity with which we shall pass this resolution. Under any ordinary circumstances, the fact of a man being carried away suddenly and by a violent death would have moved our feelings; but in this case he was as it were one of ourselves, and a representative of us here as a body of merchants. He was a man of great practical experience and with a large share of sound commonsense, and the broad and liberal view with which he looked at things would have made him a man of prominence in any community of business men; and we sustain no small loss by his having been taken away. It is therefore in no ordinary manner that we pay this last tribute to his memory. I beg to propose the resolution I have already read.

Mr. Hamilton Maxwell—Mr. Chairman and gentlemen, I feel highly honoured by having been requested to second this resolution which has been so very ably and kindly put by your Chairman, the Hon'ble Mr. Graham, and I am very glad of the opportunity of adding my humble meed of praise of the good qualities of Captain Henry and my respect for his memory. From the time Captain Henry became agent of the P. and O. Co. in Bombay, I knew him intimately. I have had many business transactions with him, some of them of a nature which might have been made of a very unpleasant nature indeed, but I invariably found him kind to a degree; and I take this opportunity of testifying personally to his great business ability and to his kindness of heart. As a public man he was very much respected. He took a very warm and active interest in all the affairs of the Municipality and in all public affairs going on, and wherever his name was required it was certain to be seen in a prominent place. From the time he joined this Chamber, he took a very active share in all its affairs, and from his great knowledge of shipping and general commerce, he gave most reliable advice, and also listened to it willingly on all occasions when it was required. I am sure you will all agree that the Chamber has sustained a very sad loss, and that his was a place, in the Chamber, as elsewhere, which it will be very difficult to fill. As a friend, we all knew him to be so genial and hospitable that we all must feel his loss. I for one, I am sure, shall never forget his kindness and affability. His courtesy was well known, and in his own particular sphere in the P. and O. Company's office, he was easy of access and was obliging and kind to all. I have applied to Captain Henry many times to help me in assisting poor and distressed Europeans, and wherever he had the power to do so, my call was never in vain. He was ready with his sympathy and with his money; and many a poor European in Bombay I am afraid will have to mourn Captain Henry as much as we do.

The motion was then put to the vote, and carried unanimously.

Mr. Mowat said—Mr. Chairman and gentlemen, after what has fallen from the Chairman and Mr. Maxwell with regard to the excellent qualities of our late Chairman and the high esteem in which he was held by both the mercantile community and the public generally, I have very little to add. The blow has been a very sad one to us all. At any ordinary time, it would have been so, and it is especially the case now, when there are so many great and important subjects before the Chamber in regard to which by the application of his great ability, his wonderful tact, and his energy, Captain Henry might have been expected to assist so much in bringing about results which would have done credit to the objects we have in view. Well may we ask with the Poet "Why has Worth so short a date?" Gentlemen, the loss was rendered the more sad from the way in which it occurred. Our sympathies are deeply enlisted in this matter, and they go to one who was along with him on that fatal Friday, now his widowed wife. My knowledge of Captain Henry was chiefly of a business nature. Lately, as one of the Committee of the Chamber, I have seen a great deal of him, and I can speak to the great ability which he displayed in discussing all commercial subjects that were brought before the Chamber. Indeed

many of those subjects which we have now in view, and which I hope we shall bring to a succesful issue, are owing in a great measure to him. I shall mention one in particular. That is the question of the transhipping fees. Well did he work for this Chamber, and for the great Company whom he had served so long, and I think it is worthy that the matter should be recorded here. A great and useful trade, one which would be of immense service to Bombay, has been driven away by a petty exaction on the part of Government, which brings in but little to the revenue; and when everything is required to stimulate industry, I think Government cannot too soon act upon the views which Captain Henry and the other members of the Committee have expressed on the subject. I have much pleasure in proposing this resolution. I think you will all heartily join with me in it. It is—"That a copy of the foregoing resolution be sent to Mrs. Henry with the expression of the Chamber's deepest sympathy with her in her sad bereavement."

Mr. Finlayson—I have been unexpectedly called upon, owing to the illness of Mr. Robertson, to second this resolution. After what has fallen from the previous speakers, I think it is unnecessary for me to say anything to commend it to your attention, and I shall therefore simply second it as it has been put.

The resolution was carried unanimously.

NEW MEMBER.

The ballot was taken for the election of Messrs' Gladstone, Wylie and Co. proposed by Mr. Robertson and seconded by Mr. Sharp, of the Chartered Bank; and Messrs. Gladstone, Wylie and Co., were declared duly elected.

THE ACTION OF THE COMMITTEE DURING THE PAST QUARTER.

The Chairman—The next business, according to the custom which has prevailed in this Chamber is to review the various subjects which have occupied the attention of the Committee since our last meeting. I will do so as briefly as I can. The first subject on the list is that of the refund of Town duties. The Municipal Commissioner consulted the Chamber of Commerce on this matter some time ago, and a letter was sent in reply which I see was discussed last week by the Town Council. As the proceedings were reported fully in the newspapers, those members who are interested in the subject will have seen what was said, and I think it is unnecessary for me now to go into the matter. I will merely express my opinion that this refund system should be interpreted by the Municipality in the most liberal manner. I think all articles liable to duty should, on export from the town, be allowed the refund on the assumption that on entering the town they must have paid duty. This would save a great deal of trouble both to the merchants and the Municipality in identifying packages. The next subject that has been considered by the Committee is the financial policy pursued by the Government of India in obtaining supplies for the distressed people in the famine districts. The Chamber asked Government to inform the public of the probable amount of expenditure and to give notice of any loans that might be issued. The Government replied that they would give the earliest notice they could, but until the issue of the budget yesterday we heard nothing, so I suppose earlier notice could not have been given. This, gentlemen, is one of the most important subjects affecting the trade of India. What we contend is that the trade of the country is so mixed up with the financial arrangements of Government that Government ought, in making these arrangements, to take the public into their confidence and to avoid as much as possible anything of a policy of secrecy. I can understand there may be some difficulty in giving notice beforehand in cases of sudden expenditure for famines, but in the case of loans for public works and with regard to Council drafts, I think it is different, and I cannot help thinking that Government has altogether failed to realize the enormous importance of uncertainty in these matters affecting the trade of the country. We have all felt the effect of the violent fluctuations in exchange during the last year. Exchange of course depends upon silver in the long run, but silver is affected by the supply and demand, and any changes brought about by silver in itself are gradual and slow. With Council drafts, however, it is quite different; they depend on no natural laws, and are merely the result of the exercise of the arbitrary authority of Government. These Council drafts have during the last 7 years increased from five millions to fifteen millions, and it is obvious, of course, that every increase in the Council drafts must bring about, sooner or later, a corresponding reduction in the imports or an increase in the exports of ordinary merchandise. The soonest way to bring about this reduction would be to allow exchange to fall to such a point as would check these imports or stimulate the exports, and an adjustment would be brought about in due time; but it is quite unreasonable to suppose that the Council drafts can be increased [illegible]at at the same time exchange can be supported. [illegible]k the lesson has still to be learned in many [illegible]rs that an artificial support to exchange is no [illegible]efit to the country,—exchange is improved [illegible]np for the time, but the result of this is only to give an unnational support to the import trade, and when the artificial support is withdrawn, the fall which follows is all the more certain and more severe. I have no hesitation in saying that the great panic and crisis in June and July last year were nothing more than the result of the Government policy in that year with regard to the Council drafts,—in withholding them in March and April, when they were wanted, and afterwards letting them loose at a time when there was no one to buy them. They withdrew them at the time when they were wanted, and those who had to send remittances outwards were forced upon silver as the readiest available means for filling up the gap, and thus a large quantity of silver was forced upon the country which it did not want, and the great crash was brought about last monsoon. This year again, the Council drafts were withdrawn for a time and then reduced in amount just when they were wanted, and now we have the prospect of their being increased just as the idle season is at hand, the result being in the meantime to flood the country with silver and so to reverse the balance of trade. What the effect of this may be it is perhaps as well not to say too much just now, but we have, I fear, a time of danger and uncertainty before us. The future of silver is one of the greatest uncertainty; and that future of silver is one of the greatest evils we shall have to contend with. What may happen in the next few years, it is impossible to foretell. America, France, and other countries may adopt a policy which may upset all our calculations, and therefore it is of the more importance, I contend, that Government should avoid adding to this uncertainty; and should make their policy as clear as possible in every way they can. I think the true policy for the country would be to say at the beginning of each year what shall be the amount of the Council drafts, and to fix how much shall be drawn—so much per week in the active season and so much per week in the dull season, and they should adhere to that programme rigidly, without allowing it to be affected by temporary fluctuations. I believe in the long run that would be the true policy both for the country and for the Government itself. The next matter, gentlemen, is with reference to the Railway Conference at Calcutta. Probably the members are aware that a Conference has been called at Calcutta for the discussion of all matters connected with railway business, including such subjects as the reduction of fares and tariffs for goods, &c. A large mass of information has already been collected by the Secretary to the Conference, and no doubt it will give rise to valuable results. The date for the meeting has not yet been definitely fixed, and meanwhile your Committee are carefully considering the subject with a view to offering such information or suggestions as may be in their power. When the Governor General passed through Bombay, the Committee availed of the opportunity to present an address. The address and his Excellency's reply were published in the newspapers, and no doubt they have been seen by the members. The next matter is in reference to the rate of ground rent for storing cotton at Colaba. When the Port Trust first arranged to raise the fees of the Colaba ground, the Committee protested against the action that they had taken in carrying such an important point without consulting the members of this Chamber, as representing those interested in the matter. This, however, was too late. Afterwards, a deputation consisting of Messrs. Bythell, Mowat, Bickerdike, Meilli, Fachini, and Marshall waited on the Port Trustees, and an arrangement was come to which, I believe, has had some effect. The next question is that of the goods charges of the G. I. P. Railway. That is a question which has occupied the attention of the Committee, as it has occupied the attention of previous Committees for many years past. We have strongly, year after year, urged upon the Railway Company, the necessity of reducing the rates, and in this we have received the encouragement, I must say, of the Bombay Government. Lately, Government communicated with the Chamber admitting that the reductions already conceded had brought about increased traffic, but suggesting that the Company had now as much as it could conveniently carry, and that it was not advisable to undertake more business than they could conduct to the satisfaction of customers.

Mr. Maxwell—They want more rolling stock.

The Chairman continued—The Committee understood this remark to mean that the traffic had grown to as high a point as it was desirable to encourage it, and they replied that the true way to meet the difficulty was to increase the capacity of the line, especially as regards rolling stock, and not to think of checking the traffic. Government, however, explained afterwards that we had totally misunderstood what was meant, and they expressed themselves quite alive to the necessity for encouraging the traffic in every way. The Committee still hope that further reductions may be made, though at present considering the great increase in traffic owing to the famine, it is not perhaps an opportune time to urge these further reductions. Wheat at present costs one-third its value to bring it from Jubbulpore, and half its value to bring it from Cawnpore, which shows how important it is that the rate of freight on such an article as this should be reduced as much as possible. The next question is that of the transhipment of goods. This is a matter which occupied the attention of the Committee, and in which, as Mr. Mowat has said, Captain Henry took some interest. It was brought before the notice of the Committee appointed to consider the new Consolidated Customs Bill and received careful attention there. The next matter is the Native Passenger Ships Act of 1876. The Chamber addressed Government, calling attention to the delay in bringing this Act into force. Act XII. of 1872 does not apply to any ship under contract with the Government of any European State, so that while British vessels are carrying native passengers under strict conformity with the regulations of this Act, no such restriction is forced on foreign vessels British vessels therefore find it impossible to compete in the pilgrim trade with such vessels and a loophole is left for the continuance of those abuses in carrying native passengers which the Indian Native Passengers Act was intended to remove. Government have informed us that they are doing all they can to expedite the bringing of the Bill into force. The next matter is the new Consolidated Customs Bill. Government requested the Chamber to appoint new members to sit on a Committee with the officers of Government, and the Committee did me the honour to appoint me along with Captain Henry to serve on this Committee, which was presided over by Mr. Reid, the Commissioner of Customs, and of which the remaining member was Mr. Pritchard, the Salt Commissioner. I can scarcely refer to this without going into matters of detail which I am afraid I could not bring before you in such a manner as to enable you to understand them, and therefore I think it better to leave it alone until the report is issued. I will simply say that opinions were asked from the members of this Chamber, and such opinions and suggestions as were sent in were carefully considered by the Committee. No report has yet been received of what has been done at Calcutta, where the report of the Bombay Committee was sent. The next matter is with reference to some Customs orders regarding the payment of import duty before landing and examining of goods. These were orders which I have no doubt some of the members are aware were issued affecting the passing of goods partly under a permanent deposit and partly without deposit. The Chamber remonstrated against these orders, and the Commissioner of Customs replied that the scheme was merely a trial one, and if the arrangement were found to cause any real or unnecessary inconvenience, he would be prepared to reconsider it. Since then, a large number of native merchants have sent in a memorial to this Chamber, asking the Chamber to interfere, as they say that a great deal of annoyance and inconvenience has been caused; and the Chamber have therefore appealed again to the Commissioner. The next matter is the extension of the railway line from Ahmedabad to Ajmere. This is of course a question which has occupied the attention of the Committee, as it has occupied the attention of the Committees for the last dozen years. Things look a little more hopeful, and a kind of promise has been made that the railway will be started within the next year or two. I hope it will be, but I cannot help entertaining a feeling of distrust after the many promises we have received. I doubt very much if this railway will be commenced until perhaps some great famine in that district brings Government to a sense of the importance of the line. Many of us may perhaps remember the great famine which took place in that district—in 1869 I think it was—when great loss and distress occurred simply for want of communication, at a time when grain was notoriously abundant in many parts of this Presidency. But the chief point of importance in regard to this line is that of establishing communication between Bombay and the North-West. What we want is cheap carriage from the interior to the sea,—some means of bringing down the enormous produce of the Punjab, so cheaply as will enable it to be shipped to England. Nothing has shown more clearly than the events of the last year or two—partly in connection with the famine, and partly owing to the doing away with the export duties on wheat and seeds,—the enormous of grain and seeds lying in the up-country districts which only wait for a sufficient price to pay the cost of carriage in bringing them to the sea. The next question was as to the settlement of claims for the short delivery of goods by steamers and sailing ships. This is a question about which there has been a great difference of opinion amongst the members of the Chamber for many years past. The Committee thinking it was a legal question, referred it, with a full statement to Mr. Rimington, the solicitor, and they obtained from him a very clear and decided report, the effect of which was that claims should be paid at the market value. Now, the only other matter, gentlemen, is the Cotton Frauds Bill, which I need not refer to now, as the Committee have decided to call a general public meeting next week, at which I hope the matter will be fully discussed. If any gentlemen have any remarks to make upon any of these subjects, or any suggestions with which they will favour the Committee, we shall be very glad to hear them.

Mr. Mowat—Gentlemen, I have listened with a great deal of attention to what the Hon. Mr. Graham has said, particularly with a reference to the Council Bills and the position of Silver; and I should be very glad if those remarks would be the means of getting opinions and inviting discussion on these very important subjects. I will not detain you long with the little that I have to say. There is no doubt whatever that the silver bugbear is likely to face us for a very long time to come, and he would be a bold man who would state what is likely to be the future of it, or what the results will be. One great thing that is wanted, seeing that Government have decided on maintaining the silver currency, is how to give a healthy stimulus to both the export and the import trade. The Committee have lately had many grievances before them from the up-country districts, particularly with regard to the transit duties. Everything possible should be done in order that wheat, seeds, &c., should be brought down to the seaboard as cheaply as possible, yet in some of the old Municipalities, the taxes are so heavy that it is a question whether, when the produce arrives here, it will bear the extra cost of the carriage to England. With this swept away, and with every encouragement given, I think we should see the export trade greatly increased, and if so, that would not fail to produce a large balance of trade in our favour, which would certainly assist in maintaining the value of silver and of increasing the quantity that would be required by this country. And not only is the export trade groan in

under these transit duties, but the import trade is also suffering very severely. When the flag of Protection is raised, a great many are always ready to come forward and support it. It is a notorious fact that in the city of Ahmedabad the town duty on yarn I think is 6½ per cent., against the Imperial Customs duty of 3½ per cent. I have only given you a few instances of the great impediments to trade up-country. If the public generally would assist us in getting a reduction of them and of cheap transport to and from the Coast, I have no doubt whatever but such would tend greatly to the benefit of the country, and be the means of supporting trade at a time when this silver question is likely to cause so much inconvenience and distrust, and when the future is so full of uncertainty.

Mr. Bryce said there was one point which was sometimes lost sight of in consideration of the question of exchange. It was forgotten, he thought, that a very great deal of benefit was caused to the country by a low exchange in the way not only of stimulating export by enabling enormous masses of produce which otherwise could not be sold at a profit in England to go forward, but also by really helping to stop the falls of exchange which considerations depending upon silver alone might bring about. The more exchange fell, the more produce would come down country, and would tend to drive trade back again. This had been recently brought forcibly to his notice in the course of a journey into the North-West Provinces, where there were large tracts of waste land which everyone said could be cultivated if the produce could be brought at a cheap rate to the seaboard. And that received further confirmation from the consideration that if the exchange were to fall sufficiently to enable these causes to operate, they might have the balance of trade turned in their favour to a very much greater extent than was the case at present. He thought a point lost sight of greatly by Government was the necessity for forcing the railway companies to lower their fees, for if these lands now waste could be cultivated to advantage, the large surplus on the Council drafts would be counteracted in that way. He thought it desirable that the merchants should, in some co-operate manner, enforce these considerations on the Government of India. Mr. Graham's remarks would no doubt have great weight, but he (Mr. Bryce) thought it was a pity that there was not some resolution passed by the Chamber to enforce upon Government the necessity for reducing the railway transit dues, and consequently to stimulate exports. The experiment of lower rates was being now tried by the Oudh and Rohilkund Railway, and the authorities of that line urged that if the same rates were adopted throughout India, a kind of break of gauge in tariffs would be avoided, and they were perfectly sure an enormous trade in exports might be developed.

Mr. Bythell—I am glad to see, sir, that you have revived the good old custom of making quarterly statements to a general meeting of the work performed by the Committee. It was a great pity that this custom should be allowed to fall into disuse. If these meetings are held regularly and the statements laid before the members and published in the newspapers, I think that cannot fail to add to the position and influence of the Chamber. For these reasons, I was very glad indeed to hear the Chairman get up and make that interesting statement. I thoroughly endorse all that you have said, Sir, with regard to the importance and desirability—in fact I may say the necessity—of the Government of India pursuing a straightforward, open policy with regard to the sale of their drafts. There were no doubt, as you have already said, most disastrous disturbances last year in connection with trade caused by the unwise policy of the Government of India. I was also, sir, very glad indeed to hear you state that the committee have been still endeavouring to get the Government of Bombay and the Government of India, I suppose, also, to assist the Chamber in inducing the railway companies to reduce their rates. I agree with what the preceding speakers have said, that until we have cheaper means of carrying goods it is really impossible for the export trade of this country to be developed as it ought to be. You referred to the taxes on wheat and seeds more particularly, and I quite agree with you that these require to be very considerably reduced still. We have, however, I believe, in consequence of the representations of the merchants during the last year or two, had a considerable reduction in the rate of charges on wheat and seeds, but in spite of their representations, no reduction has been made for a great number of years passed in the rates on cotton. I of course speak now of the G. I P. Railway charges. Indeed so far from any reductions having been made I found last year when I came out from England, that we were paying actually more than in 1869, when cotton was more than double the price. I wrote in to the Chamber about it, and I believe the Committee wrote to the Railway Company, but excepting the very slight reduction caused by abolition of the Ghaut haulage charges, no reduction has been made. We are still paying, in fact, in spite of this slight reduction, higher charges than we paid in 1869. Fortunately, we have had considerably advanced prices for cotton this year; but I believe if it had not been so, and if we had happened to have a smaller scale of prices than those in force last year, there would have been this year a very serious curtailment in the production of cotton in India. I think it is impossible to expect that if cotton should go down again to 4d. as it did last year, it can continue to pay nearly ½d. per lb. for carriage from Oomrawuttee to this city. That was the rate in force last year, and the present rate is the same with the exception only of a very slight reduction on account of the Ghaut haulage, I believe, sir, that if the Chamber persists in the present policy of urging Government in season and out of season a considerable reduction will at length be effected. I happened when returning to India last year to have as fellow passengers two or three distinguished members of the Government of India. I had conversations with them, and I think they are quite at one with us. As Mr. Bryce has forcibly expressed it, they see what we want is largely increased exports, and they are aware of the fact that our exports would be enormously developed if we had cheaper means of transit. The Government had the power under the old contracts of dictating to the companies what rates should be charged for goods, and though, unfortunately Government have given up that power, still we know if Government choose to bring a pressure to bear upon the railway companies, the companies are almost obliged to submit, and knowing, as we do, from letters we have seen, that Government are with us, I do hope the Committee will persist in their efforts to induce Government to bring all the pressure they can to bear on the railway companies to induce them to reduce their charges. I am very glad to see that the Chamber have been doing all they can to draw the attention of Government to the scandalous transit fees levied by Municipal authorities in different parts of the country, a subject which I have myself brought before the Chamber on many previous occasions. The great cause of these charges, which were originally octroi dues, is that these Municipalities have unlimited taxing power in their hands; they can levy such taxes "as Government may from time to time approve." I opposed that section very strongly when the Act was before the Legislative Council, but I was outvoted by the Government members and the Bill became law, and result is that now we have taxes levied which amount in some cases to 6 per cent. of the value of the goods. When the Bombay Municipal Bill came before the Council it contained a similar clause, but fortunately that was expunged. In the Mofussil Act, however, it still exists, and I think the Chamber should agitate to have the Act so amended that the powers of these Municipalities would be limited in the same way as in the case of the Bombay Corporation. So long as the Act remains in force, as it is at present framed, I think it is hopeless for us to expect that any remedy will be found for this evil. It is a very nice easy kind of taxation, and people residing in places where the tax is levied of course like it very well because it is much more convenient than taxing their own property.

Mr. Maxwell—I was very glad to hear you, sir, refer to the delay in commencing the projected railway from Ahmedabad. It is simply a disgrace to the Government of India, and has been a neglect of Bombay to the credit of Bengal which would not be tolerated at home were the subject laid before the Secretary of State. For years and years this Chamber has agitated for the construction of the railway, and the Government of India have alway acknowledged the good case laid before them, but still, through the cold hearts of the Secretaries of Bengal, this railway is still uncommenced. I believe it has been sanctioned by the Secretary of State for some years, but still it hangs fire, and I think it the duty of the Chamber to use every endeavour in its power to bring the matter prominently forward and demand of the Secretary of State the right which we have not been able to secure from the Government of India (Hear, hear.)

Mr. Bryce said the Chamber had mentioned to Sir Andrew Clark their opinion that the railway would be best constructed on the broad gauge; but he found up-country the general impression was that it would be constructed on the narrow gauge as far as Deesa. He thought that in any future memorial the Chamber might present they ought to insist more strongly than ever upon having no break of gauge. The railway from Lahore to Peshawur, which was originally a narrow gauge line, was now being reconstructed at a cost of nearly 1½ millions of money; and if this new line were constructed on the narrow gauge, the same thing would happen in regard to it. The construction on the broad gauge should be strongly urged not only in commercial interests but in military interests, because the latter were of just as great importance to the merchants as citizens as were the commercial interests. It must be universally admitted, he thought, that it was advisable that the rolling stock on every line should be made available for all the other lines, so that when one particular line was overflowed with traffic, on occasions of famines on other exceptional occurrences surplus rolling stock from other lines, to which the excess traffic did not extend could be borrowed and applied to overcoming the difficulty.

Mr. Bickerdike said that as he was a member of the Committee it was perhaps hardly necessary for him to say he fully agreed with all that was said by Mr. Graham; but he wished to allude to the question which was to be brought forward next Friday. During the discussions which took place in the Legislative Council lately on the subject of the Cotton Frauds Prevention Bill, it was stated by one of the members—he thought the Hon'ble Mover of the Bill—that the report sent in by the Committee of the Chamber did not represent the opinion of the majority of the members or of the mercantile community. As a member of the Committee, he wished to ask every gentleman present to make it a point of duty to attend next Friday, because he believed the assertion made was nothing more than an assertion, simply resting on an assumption. For his own part, he (Mr. Bickerdike) believed the Committee did fairly represent the opinion of the majority of the members and also of the mercantile community of Bombay. He trusted there would be a large meeting on Friday, and that this doubt which had been mooted would be emphatically dispelled.

Mr. Bythell said that probably the assertion alluded to by Mr. Bickerdike was probably what was known as a statement for the purposes of debate. The records of the Chamber in the Legislative Council of Bombay would show what the opinion of the Bombay merchants really was upon that point. In 1869, a meeting was held in that Chamber at which resolutions were passed instructing the Committee to memorialise the Viceroy to veto the Bill which had been passed by the Bombay Legislative Council during that year on this subject. The Committee did memorialise the Viceroy, and the Viceroy did veto the Bill; and it was a matter of notoriety that within a year or two afterwards another meeting of the Chamber was held, Mr. Hall, of Messrs. Nicol and Company, being in the chair, when a resolution was proposed, and carried without a single dissentient voice, instructing the Committee to memorialise the Government of Bombay to repeal Act IX. of 1863, the existing law. He could produce half-a-dozen examples to show that the Chamber had over and over again expressed its opinion on the subject of this Cotton Legislation in the most convincing manner.

Mr. Mowat—I am very glad that the debate on the Cotton Frauds Bill has been postponed until next week. Of course, it is pretty well known that my views on this subject are opposed to those held by the majority of the members of the Chamber, and although in a minority, I still should like to have the pleasure of expressing my views. (Hear, hear.) We must recollect that from the time of the Flood (the first record of the minority having been in the right) downwards, the minority have often made out a good case.

The Chairman—As to the question of a narrow gauge for the promised new railway from Ahmedabad to Ajmere, I think the opinions of this Chamber are very unanimous as to the expediency of the broad gauge being adopted; and this is the view that has been consistently adopted by at least the last two or three committees. In our address to Lord Lytton, we expressed very strongly our views on that point. That is all the business before us, the Committee having as Mr. Bickerdike has said, decided to call a special meeting next Friday to discuss the Cotton Frauds Bill, when I hope there will be a large attendance. We shall be very glad to hear Mr. Mowat's views and the views of any one else on the subject.

THE NEW CHAIRMAN.

Mr. Bythell asked if a new Chairman of the Chamber was to be elected. He thought it was a pity to leave the matter in abeyance and that the Committee should have a recognised Chairman.

The Chairman replied that the Committee had not decided at present, and when they had decided, it would be necessary to give 10 days' notice, according to the rules.

THE TRAFFIC ON THE B. B. AND C. I. RAILWAY.

The increase in goods traffic on the B. B. & C. I Railway for the week ending 10th March 1877 was 75,071 maunds and in money Rs. 28,107. The quantities carried and the earnings compare with 1876 are as follows:—

Description.	Week ending 10th Mar. 1877.	Week ending 11th Mar. 1876.	Increase.	Decrease.
COTTON—				
Weight	Mds 69,525	Mds 49,643	Mds 19,882	...
Amount	Rs. 45,648	Rs. 32,837	Rs. 12,811	...
GRAIN—				
Weight	Mds 26,998	Mds 33,107	...	Mds 6,109
Amount	Rs. 6,523	Rs. 7,083	...	Rs. 560
JAGREE—				
Weight	Mds 15,001	Mds 18,548	...	Mds 3,547
Amount	Rs. 7,518	Rs. 11,153	...	Rs. 3,635
OPIUM—				
Weight	368	Mds 464	...	Mds 96
Amount	929	Rs. 1,174	...	Rs. 245
P. GOODS AND TWIST—				
Weight	Mds 4,225	Mds 4,025	Mds 200	...
Amount	Rs. 4,211	Rs. 4,093	Rs. 118	...
SALT—				
Weight	Mds 42,052	Mds 18,399	Mds 23,653	...
Amount	Rs. 8,263	Rs. 4,060	Rs. 4,203	...
SEEDS—				
Weight	Mds 36,364	Mds 19,621	Mds 16 743	...
Amount	Rs. 16,556	Rs. 8,261	Rs. 8,295	...
SUGAR—				
Weight	Mds 4,309	Mds 2,296	Mds 2,013	...
Amount	Rs. 2,259	Rs. 1,227	Rs. 1,032	...
GENERAL GOODS—				
Weight	Mds 1,08,761	Mds 86,432	Mds 22,332	...
Amount	Rs. 33,173	Rs. 27,085	Rs. 6,088	...
TOTAL—				
Weight	Mds 3,07,606	Mds 2,32,535	Mds 75,071	...
Amount	Rs. 1,25,080	Rs. 96,973	Rs. 28,107	...

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[With Supplement.

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PENINSULAR AND ORIENTAL COMPANY.

THE following or other first-class Vessels will be despatched for EUROPE:—

Vessels.	Tons.	H.P.	Captains.	
— SUMATRA	2482	450	C. Anderson	19th Mar.
S. MONGOLIA	2832	530	A. Coleman	26th do.
S. PERA	2119	450	Geo. Hore	2nd April.
S. MIRZAPORE	3761	600	A Parish	9th do.
— SIAM	3000	500	N W. Halewood	16th do.
S. MALWA	2918	450	F. R. Tomlin	23rd do.
— NIZAM	2725	450	A. E. Barlow	30th do.
S. ASSAM	3082	500	N. Stewart	7th May
— THIBET	2991	400	G. F. Oates	14th do.
S. SURAT	3141	530	G. C. Burne	21st do.

Passengers are booked to ADEN, SUEZ, BRINDISI, ANCONA, VENICE, MARSEILLES, MALTA, GIBRALTAR and SOUTHAMPTON by every Mail. The Steamers marked S. proceed direct to Southampton; but by the others Passengers change vessels at Suez, and those for Brindisi, Ancona, Venice, and Marseilles are conveyed by Rail from Suez to Alexandria.

A small Steamer will love the New Dock Head at Mazagon, at 3 P.M. precisely on the day of sailing.

F. D. PARKER, Acting Superintendent.

Bombay, 24th February 1877.

STEAM TO CEYLON, PENANG, STRAITS, CHINA, AND JAPAN.

On TUESDAY, the 20th March 1877, at 3 P.M., from Mazagon.

THE P. and O. Co.'s S.S. LOMBARDY, (2,723 Tons and 450 H. P.), Captain W. B. Hall, will be despatched as above, carrying H. M.'s Mails, and taking also Passengers and Cargo for Madras and Calcutta.

No Cargo will be received on board after sunset on the day previous to sailing, and no brokerage will be allowed on any chest of Opium, the Officer's receipt for which is not lodged in the Company's Office before Noon, on SATURDAY, the 17th March 1877.

F. D. PARKER, Acting Superintendent.

Bombay, 6th March 1877.

STEAM TO KING GEORGE'S SOUND, ADELAIDE, MELBOURNE, AND SYDNEY.

THE following Steamers will be despatched for the above ports calling at Galle),

Vessels.	Tons	H.P.		
TANJORE	2263	450	Capt J. Orman	31st March at 3 P. M.
TRAVANCORE	1900	380	Capt W Barratt	28th April at 3 P. M.
BANGALORE	2063	800	Capt G.N. Hector	15th May at 3 P. M.

F. D. PARKER, Acting Superintendent.

Bombay, 6th March 1877.

NEW ADVERTISEMENTS.

NOW READY,

BOMBAY GAZETTE OVERLAND SUMMARY.

The *BOMBAY GAZETTE OVERLAND SUMMARY*, prepared for despatch by each Overland Mail for Europe, contains, in addition to all the News of the Week, a specially-written Market and Freight Report, and a well-digested Summary of Events.

Annual Subscription (in advance) Rs. 12
Single Copy ..... Annas 4

"Bombay Gazette" Office, Meadow Street, Fort.

NOW READY,

THE BOMBAY PRICE CURRENT AND SUMMARY OF TRADE.

Published once a week at the *Bombay Gazette* Office, on the departure of the Overland Mail for Europe.

The Bombay Price Current contains—
A Specially-Written Market Report.
Freight Report, &c.
Summary of Cotton Exports during the week.
Imports and Exports of Bullion.
Quotations of Imports and Exports, and Customs' Duties.
Comparative Summary of Exports from Bombay, up to date as per Ships' Manifests, with the total Exports for the month, and for the same period as far back as 1867 and 1875 respectively.
Comparative Summaries of Imports of Piece Goods and of Yarn into Bombay from Great Britain up to date with the total for the month and the same period as far back as 1865 and 1875 respectively.
Share List and Rates of Exchange.
List of Vessels in Bombay Harbour on the date of publication, arrivals and departures of Vessels during the week, and Vessels expected from Out and Home Ports.
Charters and Engagements.

Annual Subscription in advance ..... Rs. 10
Single Copy ..... Annas 4

"Bombay Gazette" Office Meadow Street, Fort.

STEAM TO ADEN, SUEZ, PORT SAID, MALTA AND GIBRALTAR.

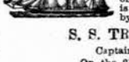
S. S. PETERSBURG, about 2,000 Tons, Register, Captain Bannerson, will sail early next month.

For Passage, &c., apply to

W. & A. GRAHAM & Co. Agents.

HALL LINE OF STEAMERS.

BOMBAY TO LIVERPOOL, VIA SUEZ CANAL.



S. S. CHILDWALL HALL Captain Tregarthen, will sail on the 4th April. This steamer is already full but she will be followed by the

S. S. TRENTHAM HALL, Captain JAMES SHAW, On the 21st April, and by the

S. S. BRANKSOME HALL, Captain KENNETH HORE, On the 19th May.

For passage, apply to

W. & A. GRAHAM & COMPANY, or to KING, KING & Co.

Bombay, 17th March 1877.

WANTED for a Club in a Hill Station TWO PORTUGESE BUTLERS sharp, sober and steady, able to speak English and keep simple accounts. Apply stating salary required and enclosing copies of Certificates to

T. W. FITCH, Secretary,
Himalaya Club, Mussoorie.

HORSES! HORSES!! HORSES!!!

A STRONG and SERVICEABLE BATCH of fine PERSIAN HORSES, to close an account, will be SOLD by PUBLIC AUCTION at the Byculla Commission Stable, on SATURDAY, the 24th instant, at 3 P.M.

TO BE LET, an unfurnished BUNGALOW in the Marine Lines from the 1st of April for 6 months. Rent Rs. 175. Apply to E. W. FLOWER, House Agent.

4, Hummum Street.

TO BE LET, the UPPER STORIED BUNGALOW at Malabar Hill, lately in the occupation of D. S. Kemp, Esq. Rent moderate. Apply to E. W. FLOWER, House Agent.

4, Hummum Street.

TO BE LET, the BUNGALOW in Love Lane, now in the occupation of J. F. Spencer, Esq. Rent Rs. 50. Apply to E. W. FLOWER, House Agent.

4, Hummum Street.

SPORTING AMMUNITION.

CAPS. SHOT.
CARTRIDGES. WADDING.
POWDER. SUNDRIES.

NEW MATERIALS AND APPLIANCES Of every description,

IMPORTED, ON INTRODUCTION TO HOME USE.

Detailed priced Catalogue on application.

TREACHER & Co., Limited.

REDUCED PRICES.

Finest Virginian Golden Leaf HONEY DEW TOBACCO;

A splendid article, infinitely superior to the Tobaccos commonly sold under its name.

IMPORTED OVERLAND AT PER POUND.

Cash, Rs. 2-8.

TREACHER & Co., Limited.

DR. BRIGHT'S PHOSPHODYNE.

A LARGE SUPPLY on hand. Usual DISCOUNT to the TRADE.

Agents.—D. S. KEMP & Co., BOMBAY.

HOUSEHOLD CLARET.

A SOUND and trustworthy Wine for general table use. Fresh shipment just bottled.

PER DOZEN ..... Rs. 10.

D. S. KEMP & Co.,
SASSOON HOUSE, BOMBAY.

DR. F. B. SEERVAI,
SURGEON DENTIST,
No. 2 HORNBY ROW,
Opposite the New General Post Office.

NEW ADVERTISEMENTS.

NEW IRISH TABLE LINENS.

1/0 BY 1/0 DAMASK CLOTHS, 2½ yards square.

No. 510½ GEOMETRICAL CENTRE, Border to match ..... Rs. 9.
No. 637½ CENTRE LEAVES and FLOWERS, Border to match ..... Rs. 9
No. 333½ RUNNING PATTERN of FLOWERS, Border to match ..... Rs. 9
No. 510½ STAR PATTERN, Border to match ..... Rs. 9.
No. 91½ SMALL SPOT, Border of Flowers and Leaves ..... Rs. 10-8.
No. 219½ LEAF CENTRE, Scroll Border ..... Rs. 10-8.
No. 740½ SCROLL of FLOWERS, Border to match ..... Rs. 10-8.
No. 71½ SMALL BOUQUETS of FLOWERS, Grape Vine Border ..... Rs. 12-8.
No. 195½ CENTRE WILD ROSES, Border Poppies and Roses ..... Rs. 12-8.
No. 335½ IVY LEAF CENTRE, Border of Corn Flowers ..... Rs. 12-8
No. 592½ IVY and FERN CENTRE, Border to match ..... Rs. 14 8.
No. 194½ CENTRE of CARNATIONS, pretty Border of Flowers ..... Rs. 14-8.

1/0 BY 1/2 DAMASK CLOTHS, 3 yards by 2½ yards.

No. 742½ ROSE SCROLL CENTRE, Border to match ..... Rs. 10-8.
No. 510½ STAR PATTERN, Border to match ..... Rs. 10-8.
No. 339½ HANDSOME MALTESE CROSS PATTERN, Border to match ..... Rs. 10-8.
No. 737½ SCROLL of ROSES and FERNS, Fern Border ..... Rs. 12-8.
No. 217½ IVY LEAF CENTRE, Border Flowers ..... Rs. 12-8.
No. 71½ CENTRE SCROLL of FUSCHIAS and LEAVES, Border to match ..... Rs. 12-8.
No. 193½ CENTRE of SMALL FLOWERS, Scroll Border ..... Rs. 14-8.
No. 194½ VINE LEAF CENTRE, Border Leaves and Flowers ..... Rs. 14-8.
No. 64½ RUNNING PATTERN of WILD ROSES and LEAVES, Border of Tulips. Rs 14-8.

1/0 BY 1/4 DAMASK CLOTHS, 3½ yards by 2½ yards.

No. 639½ MALTESE CROSS, Border to match ..... Rs. 13 8.
No. 737½ SCROLL of ROSES and FERNS, Fern Border ..... Rs. 13 8.
No. 385 IVY LEAF CENTRE, Handsome Border to match ..... Rs. 14-8.
No. 380½ SMALL SPOT, Border of Flowers ..... Rs. 16-8.
No. 195½ RUNNING IVY, Border to match ..... Rs. 17-8.

1/0 BY 1/8 DAMASK CLOTHS, 4½ yards by 2½ yards.

No. 32½ CENTRE of SMALL BOUQUETS, Border of Flowers ..... Rs. 16-8
No. 737½ RUNNING FERN PATTERN, Border of Fern Leaves ..... Rs. 16-8.
No. 658½ CENTRE BOUQUET of FLOWERS, Border of Flowers and Leaves ..... Rs. 17-8.
No. 737½ SCROLL OF ROSES AND FERNS, Fern Border ..... Rs. 17-8.
No. 71½ CENTRE SMALL BOUQUET OF Flowers, Grape Vine Border ..... Rs. 20
No. 243 CENTRE OF VARIOUS FERN LEAVES, Border to match ..... Rs. 20.
No. 397½ HANDSOME LACE PATTERN, Border to match ..... Rs. 22-8.
No. 566½ CENTRE OF WHEATEARS, Border small medallions and Fancy Flowers. Rs. 22 8.
No. 194½ CENTRE BAND OF ROSEBUDS, Vine Leaves and Stars, Border of Full-blown Roses ..... Rs. 25-8.
No. 819½ VINE AND CREEPER CENTRE, Border of Lillies, Roses and other Flowers. Rs. 25-8.

1/0 BY 2/0 DAMASK CLOTHS, 5 yards by 2½.

No. 93½ HANDSOME VINE AND GRAPE Centre, Border to match ..... Rs. 22-8.
No. 219½ CENTRE OF SMALL LEAVES, Handsome Border of Leaves and Flowers Rs. 22 8.
No. 566/8 FLOWER AND CRESCENT CENTRE, Handsome Border of Flowers. Rs. 25-8
No. 335 VINE LEAF CENTRE, Border of Fruit and Flowers ..... Rs. 25-8.
No. 195½ CENTRE OF RUNNING IVY, Border to match ..... Rs. 25 8.
No. 71½ SMALL BOUQUET OF FLOWERS, Vine and Grape Border ..... Rs. 27-8
No. 64½ RUNNING PATTERN OF DOG Roses and Leaves, Border of Tulips..... Rs. 27-8
No. 819½ VINE and CREEPER CENTRE, Handsome Border of Lillies and other Flowers ..... Rs. 35.
No. 592½ FERN and IVY LEAF CENTRE, Handsome Border to match ..... Rs. 35.

1/0 BY 2/8 DAMASK CLOTHS, 7 yards by 2½.

No. 819½ VINE and CREEPER CENTRE, Handsome Border of Lillies and other Flowers ..... Rs. 40.
No. 592½ FERN and IVY LEAF CENTRE, Handsome Border to match ..... Rs 40.

1/2 BY 1/2 DAMASK CLOTHS, 3 yards square.

No. 215½ FLEUR DE LIS CENTRE, Handsome Border of Flowers,... ..... Rs. 17-8.
No. 357 CENTRE of DAISIES, Border of Wild Flowers ..... Rs. 35.

1/0 BY 3/2 DAMASK CLOTHS, 8 yards by 2½.

No. 36¾ HANDSOME VINE CENTRE, Border of Fruit and Flowers ..... Rs. 45.
No. 194½ HANDSOME CENTRE, Bands of Rosebuds, Vine Leaves and Stars, Border of Full-blown Roses ..... Rs. 50.

1/0 BY 3/6 DAMASK CLOTHS, 9 yards by 2½.

No. 36¾ HANDSOME VINE CENTRE, Border of Fruit and Flowers..... Rs. 50.
No. 194½ HANDSOME CENTRE, Bands of Rosebuds, Vine Leaves and Stars, Border of Full-blown Roses. ..... Rs. 55.

1/0 BY 4/0 DAMASK CLOTHS, 10 yards long by 2½.

No. 36¾ HANDSOME VINE CENTRE, Border of Fruit and Flowers..... Rs. 65.
No. 194½ HANDSOME CENTRE, Bands of Rosebuds, Vine Leaves, and Stars Border Full-blown Roses..... Rs. 65.

DAMASK NAPKINS ¾ yard square to match the above patterns from Rs. 7-8 to Rs. 14 per dozen.

CLOTHS FOR COMMUNION TABLE.

No. 4595, 3 YARDS LONG by 2 yards wide, with Ecclesiastic Device..... Rs. 35 and Rs. 40.
DAMASK NAPKINS for Communion Service to match; Damask Slip to match.

MASONIC CLOTHS.

No. 601 6 YARDS LONG by 2½ YARDS WIDE, Masonic Device ..... Rs. 55.
DAMASK NAPKINS to match, ¾ yard square..... Rs. 27-8 per dozen.

10 *PER CENT DISCOUNT FOR CASH.*

WATSON & CO.,
22 & 23, Rampart Row,
8 & 9, CHURCH GATE STREET.
BOMBAY.

REQUISITES FOR TRAVELLERS BY LAND OR SEA.

OVERLAND TRUNKS.
Rs. 22 8 each.
PORTMANTEAUX.
Of convenient shapes.
COURIER AND HAND BAGS.
Tanned Canvas and Leather.
RUGS.
Rug and Bed Straps.
AIR PILLOWS AND CUSHIONS.
Of superior manufacture, from Rs. 5 to 15.
DECK AND CAMP CHAIRS.
Folding—light and strong, from Rs. 7 to 15.
BATHS.
Best Tin, strong, with and without covers, from Rs. 10 to 50.
Indian Rubber ditto, quite flat, and when inflated serve as a comfortable Bath, 33 inches in diameter and 8 inches deep, Rs. 25.
LAMPS AND LANTERNS, of the most useful patterns made specially for India.
FIELD AND MARINE GLASSES.
Achromatic in sling Cases, from Rs. 25 to 150.

TIFFIN BASKETS,
Suitable for Indian use, empty or conveniently fitted from Rs. 11 to Rs. 50 each.
POCKET CANTEENS, from Rs. 30 to 50.

Dram Flasks.	Drinking Cups.
Various Patterns and sizes, Rs. 1-8 to 15.	Horn, Glass or Metal, As. 12 to Rs. 3-8.

Cockscrews, Tin Openers, Knives and Forks,
POCKET AND TRAVELLING FILTERS, from Rs. 8 to 30.
PRESERVED PROVISIONS, Soups, Fish, Meats, Pies, Sausages, Biscuits, &c., &c.
CLARETS, BRANDIES, HOCKS, CHAMPAGNES, Beers, Stouts, &c.
SODA AND OTHER AERATED WATERS, Pure and Sparkling.
INFANTS' PREPARED FOODS, Fresh importations.
CHOCOLATE, COCOA, TEA, COFFEE AND MILK, in a variety of forms,
CIGARS AND CHEROOTS, Manilla, Trichinopoly and Coconada, of first qualities, specially selected.
BEST BRIAR PIPES, from Rs. 1 to 5.
MEERSCHAUM PIPES, Of handsome shapes.

MEDICINE CHESTS, in solid Leather, Oak, or Mahogany fitted with Medicines according to special requirements, from Rs. 25 to 100.
EAU DE COLOGNE AND VINEGAR.
Marine and Toilet Soaps, Soap Cases.
SPONGES, and Sponge Bags.
DRESSING BAGS AND CASES, from Rs. 13 to 300.
STATIONERY.
Note Paper and Envelopes, specially suited for Overland or Inland Correspondence.
WRITING AND TOURIST CASES in a variety of portable and useful shapes.
PURSES AND POCKET BOOKS, of the most convenient and secure forms.
PLAYING CARDS, and Portable Games.

TREACHER & COMPANY, Ld., BOMBAY, BYCULLA, AND POONA.

MESSRS. THACKER, VINING & CO., BOMBAY,

WOULD request attention to their large Stock of SURVEYING and MATHEMATICAL INSTRUMENTS, DRAWING MATERIALS, ARTISTS' MATERIALS, &c., &c., of the very best quality and finish:—

	Rs.	a.
THEODOLITES, by Elliott, and Troughton and Simms, 5 and 6 inch transit and 6 inch Everest patterns, with stands complete Rs. 525 625, and	600	0
DUMPY LEVELS, by Troughton and Simms, 10 and 14 inch, with Silver Ring Compass, at Rs. 285 and	310	0
"Y" LEVEL, 12 inch, with Silver Ring Compass, by Troughton and Simms	250	0
LEVELLING STAVES, Sopwith's 14 feet telescopic, by Troughton and Simms, with painted scale, each Rs. 50. Paper Scales for ditto, per set with feet marked in red	4	8
PRISMATIC COMPASSES, by Elliott. Adie, and Stanley, 3 inch to 4½ inch, with stands, at Rs. 90, 92, 115 and	130	0
STEWARD'S "MILITARY," ditto without stand, in leather sling case	40	0
POCKET SEXTANT, with 3 inch Telescope, by Elliott	85	0
OPTICAL SQUARES, in Cases, by Elliott, at	18	0
CROSS STAFF HEAD, Circular Brass, with complete Circle on Silver, in Cases, by Stanley, with Staff, at	40	0
Ditto plain Octagonal with iron-shod staff, in case	20	0
CLINOMETER, Role Form, with Sights and Levels, in Case, by Stanley	25	0
ABNEY'S POCKET LEVEL and CLINOMETER in Leather Case, by Elliott	35	0
PANTAGRAPH best Brass, by Elliott, 24 inch, Rs. 120; 30 inch	135	0
CAMERA LUCIDA, with Shade, in Case, by Elliott	55	0
MATHEMATICAL INSTRUMENTS, sets Mahogany and Rosewood, Tray Cases, by Elliott, at Rs. 40, 65, 110, 135, and	185	0
Ditto, by Stanley, at Rs. 24, 40, 60, 70 75, 115, and	180	0
POCKET SETS of ditto, by Stanley, Electrum, Rs 50; Brass	38	0
Pl in Common Brass Sets, for rough use, at	7	8
PROPORTIONAL COMPASSES, with Rack Adjustment, by Elliott	38	0
Ditto, of plain finish, London-made	30	0
PILLAR COMPASSES, by Elliot and Stanley in Cases, Rs 18 and	30	0
NAPIER COMPASSES, by ditto ditto, in Cases, Rs. 18 and	30	0
PORTABLE BEAM COMPASSES, by Elliott, in Case	25	0
DRAWING PENS, by Elliott and Stanley, at Rs. 5-8 and	5	0
Ditto, Set of 6, assorted, with Handle, in Case, by Elliott	20	0
WHEEL PENS, with box of 6, assorted Wheels, by Elliott	10	8
DOUBLE-HEAD PEN, by Elliott	9	8
OPISOMETERS, by Elliott, in Cases, at	3	8
PLANIMETERS, Amsler's Patent, by Elliott, in Case, 45-0 and	55	0

Spare Dividers—Half-Set Compasses—Bow-pens and Pencils—Spring Bow-pens, Pencils, and Dividers in Sets—Pocket Dividers, &c., &c. by Elliott and Stanley, at various prices.

	Rs.	a.
PROTRACTORS, CIRCULAR, with Single or Double Folding Arms, by Elliott and Stanley in Cases, at Rs. 50, 65, and	92	8
Ditto, ditto, Plain, without Arms, by ditto ditto, at Rs. 24 and	26	0
Ditto, SEMI-CIRCULAR, with and without Arm, by Elliott, in Brass and Electrum, at Rs. 16-8 and	18	0
Ditto, RECTANGULAR 6 inch, Ivory, by Elliott and Stanley, at Rs. 5-8 and 6; Military Protractor, red lined	6	8
Ditto, ditto, ditto, ROLLING, by Elliott	15	0
Ditto, ditto, BOXWOOD, at Rs. 2-4; "Aldershott" Protractor	2	12
PARALLEL RULERS, 6 inch, Ivory, Rs. 5 and 6; EBONY, 6 inch to 24 inch, at Rs. 1-8, 2, 3, 4, 5, and 8; EBONY ROLLING, from 6 to 24 inch, at Rs. 5, 8, 11, 14, 16, 18, 21; EBONY ROLLING, WITH IVORY GRADUATED EDGES, 6 to 30 inch, at Rs. 9 8, 12-8, 16-8, 2-, 25, 28, 33 and	42	0
BRASS ROLLING, in Cases, by Elliott, 6 to 30 inch, at Rs. 15, 18, 21, 28, 34, 38, 45 and	55	0
MEASURING TAPES, Chesterman's Metallic, in Leather Cases, of 33, 50, 66, and 100 feet Long at Rs. 5-8, 6, 8, and	10	0
PATENT RIBBON STEEL, ditto 50, 66, and 100 feet long, at Rs. 20 30 and	40	0
Ditto, SPRING, SELF-WINDING, 3, 6, 9, and 12 feet, at Rs. 3, 5-8, 7-8 and	10	0
MEASURING CHAINS, Chesterman's, with Arrows, of Galvanised iron, 33, 50, 66, or 100 feet, Rs. 5-8, 8, 10, 13; of Tempered Steel, ditto, ditto, at Rs. 7, 10, 12 and	16	0
SCALES of all kinds, in Boxwood and Ivory, by Elliott and Stanley, viz.,—ARCHITECTS, Rs. 3 and 7-8; MARQUOIS, Rs. 7-8 and	52	8
PLOTTING, with Offsets, Rs. 3; or per set of 6, in case, Rs. 20 and	25	0
TRIANGULAR PLOTTING, Boxwood Rs. 9-8, Ivory	45	0
METFORD'S SET OF IVORY POCKET SCALES, in Case, by Elliott	45	0
HOLTZAPFFEL'S DRAWING SCALES, per set, in Case	20	0
POCKET RULERS, in Boxwood and Ivory, 1 and 2 feet, fourfold, Rs. 1-8 to	14	0
SECTORS, Ivory, by Elliott and Stanley, Rs 5 and	5	8
T. SQUARE, of plain mahogany, 18 to 36 inch, Rs. 1-8 to 2-8; of polished mahogany, with ebony edge, 18 to 54 inch, Rs. 4-8 to 14; of pear-wood, with single or double rabbet, 18 inch to 42 inch, Rs. 1-8 to Rs. 6; brass-bound, 18 inch to 30 inch, Rs. 4-8 to Rs. 6-8; or with shifting head, 24 to 42 inch, Rs. 7-8 to	10	8
CURVES—*Railway Curves*, in pear-wood, set of 50, Rs. 28; in Cardboard, set of 60, Rs. 36; in vulcanite, set of 59, Rs. 55; in zinc, set of 20, Rs. 40; *French Curves* in pear-wood, set of 24	12	8
SHIP CURVES, set of 9, in pear-wood	7	8
SET SQUARES, 45, 60, or 64 degrees, various sizes, in pear-tree, As. 8 to Rs. 1-8; in vulcanite, As. 8 to Rs. 2-8; also in framed mahogany, electrum and brass, at from As. 4-8 to	12	0
SLOPES and BATTERS, set of 8 angles, in vulcanite	6	0
LETTERING SQUARES, set of 3, in vulcanite	3	8
STRAIGHT EDGES, Mahogany, with ebony edges, 2 to 4 feet, Rs. 2 to 5; in steel, 2 to 6 feet, per foot	15	0
DRAWING BOARDS, LONDON-MADE, in plain deal, ¾ inch, clamped, pine or mahogany, with movable panel, 16 by 12, or 18 by 16 inches, Rs. 2-8 to Rs. 6-8; brass, slot-ledged, or with improved ebony edge, 16 by 12, 24 by 16, 31 by 23, 42 by 29, Rs. 3 to	14	8
FIELD BOOKS, each Rs. 2; LEVELLING BOOKS, each Rs. 2-8 and	2	8
METALLIC NOTE BOOKS, Limp covers, round corners, and band, No. 1 to 7, Rs. 1-4 to Rs. 2; with square corners and clasp, No. 1 to 9, and post 8vo., As. 14 to	2	4

Indian Ink (in sticks or liquid, in bottles), India-rubber, Ink and Pencil Erasers, Mapping Pens, Steel Crow Quills, Drawing Pins, Stencil Plates (lists on application), Stencil Brushes, Stencil Ink, Horn Centres, Penknives, Ink, Inkstands, Pens, Penholders, Office Pencils, Letter Scales, Copying Presses, Copying Books, Memo. Books, Blotting Books, Blotting Pads, Ledgers, Cash Books, Journals, Private Ledgers, Writing Desks, Despatch Boxes, Paper boxes, Deed Boxes, Cash Boxes, Stationery of all kinds, Carte-de-Visite Albums, Scrap Albums, Crest and Stamp, Stamp Albums, Newspaper Extract Albums, &c., &c., &c.

METEOROLOGICAL AND OPTICAL INSTRUMENTS, &c.

	Rs.	a.
ANEROID BAROMETERS, 4 inch, in case, with or without thermometer, by Negretti and Zambra. Rs. 5 and	55	0
POCKET SIZE, WATCH-FORM, compensated for temperature at Rs. 65, 100	110	0
THERMOMET

COMMERCIAL INTELLIGENCE

SATURDAY EVENING, 17TH MARCH 1877.

CONSOLS have advanced from 96½ to 96⅞ and French Rentes from 107⅞ to 108¼, which must be accepted as showing a more hopeful feeling on the London Stock Exchange, but nothing we have in the shape of political telegrams would warrant us in assuming that the position of the Turkish Question has materially altered for the better. Fluctuations in public opinion we are sure to have from time to time, but bearing in mind the number of phases the Question has already passed through, it would be premature to accept every upward movement of the funds as bringing a settlement any closer.

The Liverpool Cotton Market yesterday was flat, sales 8,000 bales, prices unchanged, with the exception of a decline of 1-16d. in Mid. Orleans, and to-day Reuter's report is unchanged, sales 7,000 bales. For a Saturday, however, this is a fair business as things go just now, and the feeling is evidently no worse that it was. The receipts at the American ports continue small and strengthen the probability of the crop being little if anything, over 4½ millions of bales; but this is a feature which has pretty well lost any influence on prices now, the chief powers now being the political position and the enormous ready stocks in Liverpool, 1,073,000 bales, a large proportion of which must necessarily be in the hands of week holders. Nor, must we lose sight of the fact that our own figures so far from showing any deficiency are nearly 20,000 bales in excess of last year, and that the drop in the Eastern Exchanges may be expected to exercise an unfavourable influence on Manchester. Ultimately the statistical position of the market will probably be strong, but there seems every reason to expect an intermediate period of great dulness and depression.

In New York yesterday's prices showed a fall of ⅛ cent. in ready Mid. Uplands and ⅛ cent. in Futures, but to-day's message, while still quoting spot Cotton at 11⅛ cents, advises a recovery of the previous decline in June shipment which stands again at 12 cents per lb. Yesterday's Piece Goods Market in Manchester was flat. Reuter's quotations, however, only showing a decline of 1½d. per piece in 9lb. Shirtings and a recovery of equal extent in 11lbs.

The American crop figures show the following comparisons to date :—

	1877.	1876.	1875.
Week's Receipts	44,000	65,000	51,000
,, Exports to U. K.	41,000	43,000	56,000
,, ,, Continent	25,000	37,000	29,000
Total receipts since 1st Sept.	3,652,000	3,632,000	3,695,000
,, Exports to U. K.	1,558,000	1,443,000	1,343,000
,, ,, Continent	739,000	959,000	638,000
,, Stock at the Ports	819,000	704,000	687,000
This week.	Last week.		
Saturday's Receipts	4,000	6,000	10,000	5,000

The visible supply of Cotton for all Europe on the 16th instant shows the following comparisons with the two previous years :—

	1877.	1876.	1875.
Total supply of all kinds.	2,980,000	2,909,730	2,911,440
,, ,, Surats ...	297,000	419,350	666,320

For the U. K. only the figures are :—

Stock in Liverpool	1,073,000	891,880	768 040
Do. London	29,000	56,010	108,420
American Afloat	210,000	321,000	369,000
E. Indian ,,	124,000	121,000	220,000
	1,436 000	1,299,890	1,405,460
Price of Mid. Orleans ...	6¼d.	6¾d.	8 1-16d.
,, Fair Dhollera...	5 3-16d.	4 5-16d.	5¼d.
Difference	1 5-16d.	2 7-16d.	2 13-16d

The London General Produce Markets yesterday were without change of any kind.

Bar Silver has receded to 54½d. per oz, at which the rupee lays down at about 1s. 9d. This has had a further depressing effect on Sterling Exchange to-day, a decline of fully 1/16d. having been established in Bank Bills and 1-16d. to ⅛ in Private Paper. Even at the decline there are more buyers than sellers and to all appearance we are likely to see still lower rates. There has been some little enquiry for Bank Bills for future delivery, but although there were sellers yesterday for May and June at 1s. 8¾d. for demand, it was difficult to get a quotation to-day. We quote at the close :—

Bank Bills, on demand	1s. 8 15/16d. per Rupee
Do 6 months' sight	1s. 9¼d. ,,
Credits, 3 ,,	1s. 9¼d. to 5-16d. ,,

On Calcutta we still quote demand at ½ premium ; 60 days' sight at 1 per cent. discount nominal.

GOVERNMENT PAPER is extremely dull with no buyers of any amount. Fours nominally may be quoted at Rs. 97½ ; Fours-and-a-half at Rs. 97¼ ; Fives-and-a-half at Rs. 101¼.

SHARES continue extremely quiet and generally unchanged in price. Banks and Land Companies are unaltered and in Press Companies the only change is a decline of Rs. 5 in Mofussils. Spinning and Weaving shares are fairly steady. Bombay Hemp and Jute Mills, Broach Mills, Jewraj Balloo and Mandvie Spinning are all Rs. 5 lower and Oriental Spinning Rs. 5 per share higher.

COTTON has been decidedly quieter with a decline of Re. 1 per candy from yesterday's rates notwithstanding the fall in Exchange. March contracts are now getting pretty well provided for, and unless Home advices come stronger again, we should see easier prices here. The receipts yesterday were 7,914 bales. Closing rates are :—

Good Ginned Broach, Ready	Rs.	198 per Candy	f. d.
Good Omra	,,	189	,, ,,
F. G. F. do.	,,	186	,, ,,
G. F. do.	,,	184	,, ,,
Good Dhollera	April	194	,, ,,
F. G. F. do.	,,	189	,, ,,
G. F. do.	,,	186	,, ,,

FREIGHTS are quieter and by Liverpool steamers relets have been freely offered at £2 2 6 per ton. By sailing ships there has been rather more enquiry and business has been done to a fair extent at £2 per ton.

PIECE GOODS continue as dull as ever and values have a downward tendency. The up-country demand shows no signs of improvement and this coupled with large supplies is against any early improvement in the market.

BOMBAY BILL AND STOCK LIST.

BANKS.

Banks	No. of Shares.	Nomi. Value p. sh.	Paid up.	Last Dividend.	Cash. Rates per Share.
		Rs.	Rs.	p. a.	
Agra Bank	100,000	100	all	6 p. ct	107
Bank of Bengal	40,000	500	all	6 do.	675 xd.
Bank of Bombay	20,000	500	all	10 do.	683½
Bank of Madras	10,000	500	all	8 do.	615
Chartered Mercantile Bank of I. L. & China.	30,000	250	all	8 do.	300
Hong. & Shanghai Bank.	40,000	125	all	8 do.	385
Chartered Bank of India and China	40,000	200	all	5 do.	200
National Bank of India.	37,200	250	125	6 do.	168
Oriental Bank	60,000	250	all	10 do.	495

RAILWAY COMPANIES.

G. I. P. Railway Consolidated Stock	..	£20	218-3'0	5 p. c.	272
Do. New £20 Shares	..	£20	139-14 6	do.	26
Ditto	..	£20	65- 7 3	do.	72
Ditto	..	£20	21-13 11	do.	32
B. B. and C. I. Ry. Co.	..	£100	1,000	do.	1,100
Do. New Shares.	..	£18	196-9 15	do.	240

LAND COMPANIES.

Colaba Land Co. (New).	3,948	2,000	all	25	950
Frere Land and Pier Co. Limited	7,500	150	all	..	110
Mazagon Land	1,750	2,000	1,000	20 p. a.	640
Port Canning Land Company, Limited	6,000	1,400	all	10 do.	215 xd.

BANK OF BENGAL.

THE following is the statement of the affairs of the Bank of Bengal for the week ending 13th March compared with that for 6th March :—

LIABILITIES.	6th March. Rs. A. P.	13th March. Rs. A. P.
Capital	2,00,00,000 0 0	2,00,00,000 0 0
Reserve Fund	16,71,119 2 5	16,71,119 2 5
Treasury Balances	1,78,67,712 0 10	1,71,99,939 14 8
Other Deposits	1,99,47,640 7 6	1,98,86,454 3 4
Bank Post Bills, &c.	2,77,370 14 7	3,01,711 11 11
Sundries	7,05,536 13 8	7,52,490 14 0
Rs.	6,04,69,288 7 0	5,98,11,735 14 4

ASSETS.	6th March. Rs. A. P.	13th March. Rs. A. P.
Government Securities	99,03,187 7 0	98,56,114 13 3
Loans on Govt. Securities	50,06,063 13 4	50,58,861 5 4
Credits on ditto ...	43,98,316 12 6	43,84,749 8 3
Bills Discounted	1,77,26,637 11 5	1,76,47,529 3 10
Balances with other Banks	97,869 11 5	81,981 5 10
Bullion	9,27,339 2 10	8,49,154 3 4
Dead Stock	10,41,529 1 0	10,39 084 3 6
Stamps	11,299 2 11	10,880 7 11
Sundries	3,06,545 7 10	2,64 524 13 1
Cash at Head Office	81,73,190 3 6	94,44,028 3 9
Do. at Branches	1,19,78,690 13 3	1,11,74,837 10 3
Rs.	6,04,69,288 7 0	5,98,11,735 14 4

SHIPPING INTELIGENCE.

THE SHIP BHOTAN, 1,083 tons, Captain W. Christian, will sail to-day for Calcutta, in ballast.

THE SHIP BENVENUE 999 tons, Captain A. Hurry, will sail to-day for Calcutta, in ballast.

THE S. S. ARETHUSA, 1,189 tons, Captain J. Aikaman, sailed on the 17th instant for Akyab in ballast.

THE SHIP LANDERDALE, 859 tons, Captain R. Davies, with sail to-day for Shanghai, with original cargo.

THE S. S. OORUN, 162 tons, Captain G. J. Barker, sailed on Saturday last for Coast and Cutch, with a general cargo, and one hundred and fifty deck passengers.

THE S. S. CANARA, 1,229 tons, Captain T. Sanders, sailed on Saturday last for Coast and Calcutta, with a general cargo, and Mr. W. Scott as a passenger for Colombo.

THE SHIP CITY OF LIVERPOOL, 1,493 tons, Captain W. Whitford, arrived in harbour on the 17th instant from Liverpool, with a cargo of 1,777 tons coals. The vessel is consigned to the Captain.

THE SHIP HINDOSTAN, 1,545 tons, Captain J. Belyea, arrived in harbour on the 16th inst. from Cardiff (October 18th), with a cargo of 2,460 tons coals. The vessel is consigned to the Captain.

THE S. S. MERCIA, 1,060 tons, Captain G. Dinsdale, arrived in harbour on the 16th inst. from Cardiff (February 16th), via the Suez Canal, with a cargo of 1,744 tons coals. The vessel is consigned to Sir Charles Forbes and Co.

THE S. S. SIR JOHN LAWRENCE, 466 tons, Captain J. Baldwin, sailed on Saturday 1st for Coast and Calcutta, with a general cargo, and the following passengers :—Sir David Wedderburn, Captain and Mrs. Sedley, child and servant, Mr. Wright and two servants, three women and two children second class, and forty-five deck passengers.

THE *Madras Mail* publishes the following telegram of the loss of the Lady Turner dated Colombo, 14th March :—"The ship Lady Turner of Salcombe, fifty-six days out from Melbourne for Colombo, has been lost. Spontaneous combustion broke out in her cargo of bone-dust, and the vessel was burnt, and abandoned. Captain Vincent and the crew were picked up in open boats by a steamer bound for China, one hundred miles from where the vessel was lost, and have been landed at Galle."

ARRIVALS.

Mar.	Vessels.	Commanders	From.
16	Hindostan	Belyea	Liverpool, Oct 18.
16	Mercia (s)	Lindale	Cardiff, Feb 10.
17	City of Liverpool	Whitford	Liverpool.
	Zephyrus	Morrill	Cardiff, Nov. 11.
	Newark	Boyd	Glasgow, Nov. 17.

DEPARTURES.

Mar.	Vessels.	Commanders.	Destination.
17	Mahableshwar	Thomas	Madras.
	Arvia	Gadd	Akyab.
	Canara (s)	Sanders	Coast and Calcutta.
	Sir J. Lawrence (s)	Baldwin	Coast and Calcutta.
	Oorun (s)	Baker	Coast and Cutch.
	Arethusa (s)	Aikman	Akyab.

The following vessels obtained their port clearances on Saturday last :—
Ship Benvenue, Hurry, to Calcutta.
Ship Bhotan, Christian, to Calcutta.
Ship Landerdale, Davies, to Shanghai.

CALCUTTA.

ARRIVALS.

Mar.			
13	Timzah(s)	Corken	Pondicherry, Mar 9.
	Oxfordshire (s)	De Steyen	Cardiff, Jan 27.
	Socotra(s)	Starratt	Negapatam, Mar 9.
	Shelomith	Revien	Madras, Mar. 4.

DEPARTURES.

Mar.			
13	Himalaya(s)	.....	.....
	Commilla(s)	.....	.....
	Oriental (s)	.....	.....
	Atholl (s)	.....	.....
	Meinam (s)	.....	.....
	Suverain	.....	.....
	Sagod	.....	.....

PASSENGERS.

Per Shelomith—Kada Shak Bowah Moh and Alle Meer Mahomed Ludje.

DAILY IMPORTS.—MARCH 17.

FROM LIVERPOOL.

Rinaldo s—21 bundles sheet iron, Abdoolrehmon Sallymomed; 833 bars iron, Walle Cosmas.
Mangrove s—100 barrels rall sulphur, Cama Ramjee; 40 cases wool, Bonajee and Dadajee.
Zerbino s—608 bundles hoop iron, Arut Keerpal.

FROM LONDON.

Teheran s—24 cases port and 50 cases claret, Cutler, Palmer and Co.
Macedonia s—9 boxes tinned plates, Allybhoy Tyebjee.
Lombardy s—20 cases port, Cutler, Palmer and Co.
Severn s—42 cases soap, Tyebally Sultanally.
Zeeran s—3 cases perfumery, Aristhi and Co.
Renown s—10 cases brandy, C Bouneviaile and Co.
Atholl s—25 cases brandy, Cutler Palmer and Co.
Nellie Martin s—cases umbrellas, Byramjee Shapoorjee.
Sicily s—311 boxes tinned plates, B and A Hormusjee.
Tythouse,—125 box-s oilmanstore and 5 cases soap, Gulamally Dadabhoy Nathoobhoy and others—Tyabjee and Syani.—Part heard.
Clarence s—20 cases champagne, Ewart, Latham and Co; 60 casks disinfecting powder, Woomersey Brothers; 75 drums linseed oil, Doosabhoy Sullemanjee; 12 packages hardware, Kalyoy Tyebally.
J C Stevenson s—100 cases old tom, Jamsetjee Nowrojee; 8 casks zinc sheets, Ranchunder Mahadew and Co; 102 kegs iron nails, Hansumally Lallmorys; 2 cases fancy soap, Edulje Cowasjee Dunal; 50 cases champagne, Ewart, Latham and Co; 15 cases glassware, Rahimbhoy Rehemtoola; 6 casks iron wire, Esoofbhoy Cadarbhoy; 35 cases claret, 25 cases cognac 6 cases champagne and 19 cases hock, Cutler, Palmer and Co; 4 bales wall paper, Abdoolally Sumsoodin.

FROM TRIESTE.

Castore s—1,500 cases kerosine oil, M Mondolfo and Co.

FROM BORDEAUX.

Precurseur s—10 cases brandy, C Bouneviaile.
Sumatra s—10 cases brandy, C Bouneviaile and Co.

DAILY EXPORTS.—MARCH 17.

FOR LIVERPOOL.

County of Caithness—470 bales cotton, Peel, Cassels and Co; 514½ cwts. myrabollams, Meoljee Jeitha and Co.
Apelles—100 bales cotton, Lalchund Ramdiyall.
Aldergrove—57 bales cotton, Dowjee Bhanjee and Co; 20 bales cotton, Campbell, Mitchell and Co.
Dunrobin Castle—74 bales cotton, W. Nicol and Co.
Sherman—2,040 cwts. linseed, Black, Nixon and Co; 200 bales cotton, E. Spinner and Co.
Blenheim s—99 bales cotton, Muthooradass Lucmedass; 100 bales cotton, Peel, Cassels and Co.
Trinacria s—1,600 cwts. wheat, Killick, Nixon and Co; 7 bales skins, Dossabhoy Merwanjee and Co; 50 bales wool, Shamjee Veerjee; 25 bales wool, Gangjee Thackersee; 100 bales cotton, Lyon and Co; 301 bales cotton, H. Clark and Co.
Standard s—65 bales wool, Lalbhur, Govindjee; 105 bales cotton, Jamsetjee Curseejee; 23 bales cotton, Motichund Heeracbund; 77 cwts ambahuldee and 40 bales wool, Poonja Nursee.
Renown s—174 cwts linseed, W. H. David; 250 bags myrabollams, Joseph Soares; 26 bales wool, Tricumdass Abjee; 54 bales cotton, Amerchund Cullianjee; 69 bales cot on, Jairam Dayall; 109 bales cotton, Lyon and Co; 84 bales cotton, Telly and Co; 72 bales cotton, Govindram Dwarkadass; 9 bales wool, Vullubdass Nursee.
Caradoc s—50 bales cotton, Kilgour and Co.
Nellie Martin s—500 bales cotton, Nussewanjee Mancekjee and
Rinaldo s—4,800 cwts wheat, Finlay, Scott and Co; 400 cwts linseed, W and A Graham and Co.

FOR LONDON.

Mongol'a s—36 cases olibanum, Mitha Munjee; 1,398 cwts rapeseed, Raili Brothers, 500 bales cotton, Knoop and Co; 7 bales hides, Merwanjee Muncherjee Mody and Co.
Abraraan—1,259 cwts linseed, Wallace and Co.

FOR HAVRE.

Prince Regent—100 bales cotton, Gaddum and Co.
Raphael—100 bales cotton, Raili Brothers.
Stornoway—250 bales cotton, H Clawson and Co; 300 bales cotton, Vinay and Co; 320 cwts horns, Geo., Lockhart and Co.

FOR VENICE.

Castore s—100 bales cotton, Finlay, Scott and Co; 53 bales cotton, Greenes, Cotton and Co; 100 bales cotton, Lyon and Co; 300 bales cotton, W Nicol and Co.

FOR TRIESTE.

Castore s—126 packages coffee, A Bisschock and Co; 470 bales cotton, W Nicol and Co; 1,000 bales cotton, Geo., Lockhart and Co; 300 bales cotton, Wallace and Co; 300 bales cotton, Volkart Brothers.

FOR GENOA.

Trinacria s—250 bales cotton, Peel, Cassels and Co.

FOR FALMOUTH.

Dilawar—2,373 cwts linseed, Wallace and Co.

FOR SUEZ.

Sumatra s—4 cases tea, and 1 case shawls, Ahmedshaw Esoofshaw.

FOR CALCUTTA.

Canara s—125 bales cotton, Nopechund Nowrungroy.

FOR HONGKONG.

Lombardy s—250 baskets onions, Fudumsey Dhunjee; 100 bales twist, David Sassoon and Co; 11 bales twist, Ebrara Noordin and Co; 25 bales twist, A. Habibbhoy; 57 chests opium, Jairazbhoy Peerbhoy; 19 chests opium, N. J. Abraham; 100 bales onions, Hasson Ruben; 263 pieces E. teeth, Jairazbhoy Peerbhoy; 140 chests opium, E. D. Sassoon and Co; 20 chests opium, David Sassoon and Co.

METEOROLOGICAL OBSERVATIONS.

GOVERNMENT OBSERVATORY, COLABA.

BOMBAY, 16th March 1877.

Means of observations taken at 6 a.m., 10 a.m., 2p.m., 6 p.m and 10 p.m.

Barometer corrected	32 deg. Fah ..... 29'893
Temperature of the Air	79·4
Wet Bulb Thermometer	67·4
Dew Point	60·9
Relative humidity of Air	0·536
Extent of cloudy sky (the whole sky clouded=8).	0·0
Maximum temperature of air (read at 6 p.m)	85·4
Minimum do. do. (read at 9-30 a. m.)	70·5
General Direction of wind	N, NNW, N, NNE, NE, NW, NNW, NNE, N.
Movement of wind in 24 hours	333.

HIGH COURT.—19TH MARCH.

(Before the Honourable SIR CHARLES SARGENT.)

LONG CAUSES.

388-75—P Kawasjee—Pestonjee Rustomjee vs Lalbhoy Vullubbhoy and another—F and Smith and Macfarlane.—Part heard.
365-76—Lynch and Tobin—Kevulbhoy Jaichund vs Nahalchundbhoy Nathoobhoy and others—Tyabjee and Syani.—Part heard.
573-76—Rimington, Hore and Langley—Lalavahoo and another vs Frempee Mooljee and others—Shapoorjee and Thacurdass and H and C.
188-76—Chalk—Mereclth Jones vs Joseph C Lawrence and others —Jefferson and Payne.
229-76—L Fletcher—Nameebai vs Pudma Maloo—Balcrishna and B.
660-76—M H Khan—Eliazer Ezeobjee Sanker vs Nenbai widow —Tyabjee and Sayani.
228-76—Prescot and Winter—A Buchanan and others vs Hajee Abdoolram on Allbuckin—Craigie, Lynch and Owen.
413-74—Ty-bjee and Sayani—Nujmoodeen Shaikally vs Zenaboo widow and others—Jefferson and Payne.
653-76—Balakrisna and B—Eduljee Cursetjee C vs Eduljee Nusserwanjee J—J C Cama.

(Before the Honourable MR. JUSTICE BAYLEY.)

FOR JUDGMENT.

416-76—M H Khan—Hajee Adam Hajee Esmail vs Doonga Heera and others—Kimington, Hore and Langley.

LONG CAUSES.

609-76—Shapoorjee and Thacurdass—Burjorjee Sorabjee vs Pestonjee Hormusjee S and others—Khunderao and J C Cama.
124-75—Shaoorjee and Thacurdass—Bai Coorbai and another vs Khimjee Soonderjee and another—Rimington, Hore and Langley.

(Before the Honourable MR. JUSTICE GREEN.)

LONG CAUSES.

84-76—Shamrao P—Hurrishunker Balcrushna and another vs Crustnarao Raghoonath and others—Crawford and Beevy and Jefferson and Payne.—Part heard.
550-76—Lynch and Tobin —The L B and M Bank Ld vs Ghella Heerjee—Prescot and Winter.
316-76—Shapoorjee and Thacurdass—Curvandass Vullubdass vs Dyal Ruttonsey and another—Jefferson and Payne.
490-76—In person—Dhondee Chandrojee vs Bhubai widow—N N Kolhar.
256-76—Mr J Macfarlane—Manocklall Atmaram vs Dwarkadass Dayabhoy—Pestonjee K.
269-76—In person (Pauper)—Dinbai and another vs Cursetjee Hormusjee B—Prescot and Winter,

(Before the Honourable MR. JUSTICE PINHEY.)

SHORT CAUSE.

694-76—Lynch and Tobin—Mooljee Hunsraj vs Hajee Adam Hajee Esmail—M H Khan.

LONG CAUSES.

161-76—Jefferson and Payne—Luxmidass Khimjee and another vs Nagardass Parmanundass—Tyabjee and Sayani.—Part heard.
671-72—Mr Fletcher—Dossabhoy Hormusjee vs Jamsetjee Perozshaw, and others.—J. Macfarlane.
624-76—Rimington, Hore and Langley—Burjorjee Muncherjee Wadia and another vs L A Wallace and others—Craigie Lynch and Owen.
19-77—A F Turner—James Newhouse vs The New Colaba Company Ld—Prescot and Winter.
27-77—J Macfarlane—Morarjee Tulsidas vs Bhanjee Nandee and others—Shapoorjee and Thacurdass.
178-77—H Bicknell—Sett Dalputbai Bhugoobhai vs Mahomed Hajee Ally—Jefferson and Payne.

MILITARY INTELLIGENCE.

ARRIVALS.—MARCH 16.

Braine, Capt., Bombay Staff, on leave, from Aoona.
Hogg, Capt., Bombay, Poona Horse, on furlough, from Secoor.
Trench, Capt., Bombay 19th Regt. N. I, on furlough, from Sholapur.
Lee, Major, Bombay R E, on leave, from Satara.

DEPARTURE.—MARCH 17.

Skeymir, Burg Major, Bengal A M D, on duty, to Allahabad.

BOMBAY ARMY ORDERS.

BY HIS EXCELLENCY THE COMMANDER-IN-CHIEF.

Adjutant General's Office, Head Quarters,
Poona, 17th March 1877.

The C-in-C is pleased to make the following appointments :—
4th Regt N I—Capt W Marshall, having completed five years service in the appointment of Wing Officer with the rank of Capt, is reappointed Wing Officer, with effect from the 11th Aug 1876.
That part of G O C No 31, 17th Jan, appointing Lt Jackson, Second Squadron Officer 1st Cavy to officiate as First Squadron Officer is cancelled. Lt Elliot having been appointed to officiate as Adjt in addition to his own duties.
The undermentioned officers return to duty by permission of the Secy of State for India, on the 13th March 1877 :—
Asst Commissary and Honorary Lt P Walsh. Ordnance Dept.
The undermentioned officers of the Bombay S C have completed a course of instruction at the School of Musketry at Hythe, and have been awarded 1st "class extra" certificates :—
Lt A J P Nuthall and Lt A S W Connor.
The following Orders are confirmed :—
Sind Frontier Force Order, dated 19th Feb 1877.
2nd Regt Sind Horse—Appointing Capt Carpendale 2nd in Command to officiate as Com't, and Capt A M Hogg, 2nd Squadron Commander to continue to officiate as 2nd in Command, in succession to Maj Forbes proceeding on furlough.
Royal Artillery, 8th Bgde Order, dated 12th March 1877, appointing Lt G R Townshend, Offg Qr Mr, to the Bgde.
Mahidpur Station Order—Dated 9th March 1877 appointing Lt W H Lyster, 24th N I, Station Staff Officer, vice Lt Orr, leaving the station.
19th Regt N I—Regtl Order, dated 14th March 1877, appointing Capt R Walter, Wing Officer to officiate as Wing Commander and Capt S J Waudby, Adjt to officiate as Qr Mr, in addition to their own duties, in succession to Capt Trench, proceeded on furlough to England.
20th Regt N I—Regtl Order, dated 10th March 1877, appointing Jemedar Narrain Sing to act as Native Adjt, vice Heerappah promoted.
The undermentioned officers have leave of absence :—
Royal Horse Artillery—Maj M M Fitzfield (A battly C Bgde) from date of embarkation to England, per troopship, to appear before a Medical Board.
Lt W Martin (E battly C Bgde) from date of embarkation to England, per troopship, to appear before a Medical Board.
Royal Artillery—Maj H F Pritchard (No 4 Batty 6th Bgde) from date of departure for 6 months, to Buldana, East Berar, on medical certificate
Royal Engineer—Lt W Pill, to England from date of embarkation for fifteen months on private affairs
17 Foot (1st Battalion)—Lt W W Clarke, to England, per troopship, from date of embarkation, to appear before a medical Board
2nd Battalion—Maj C J Graves, to Cheltenham, from date of departure for thirty days, on medical certificate.
60th Foot—Lt Mr H Jones, to England, per troopship, from date of embarkation, to appear before a Medical Board.
Army Medical Department—Surgd Maj F J Shortt, to Bombay from date of departure for 6 months, on medicle certificate.
Surgn C F Richards, M B, to England, her troopship, from date of embarkation, to appear before a Medical Board.

MADRAS GOVERNMENT ORDERS.

(Fort St. George Gazette, March 13.)

PUBLIC DEPARTMENT.

Whereas a vacancy has occured in the office of an Ordinary Member of the Council of the Presidency of Fort St George, consequent on the resignation of his office by the Hon Robert Stanton Ellis, Companion of the Most Hon. Order of the Bath ; which resignation was declared and delivered, and has been recorde , in the manner provided by the Act 3 and 4 William IV, Cap 85, Sect LXXIX.
And whereas no Provisional Member has been appointed by His Royal Highness the Governor General in Council.
Therefore His Grace the Govr in Council under the powers vested in him by the provisions of Sec XXVII of the Indian Councils Act, 1861, is pleased to supply such vacancy by the appointment of the Hon William Hudleston, Chief Secy to Govt, to be temporary Member of Council ; and the said Hon William Hudleston has accordingly this day taken his seat in the said Council, under the usual salute from the Ramparts of Fort St George.
The Hon D F Carmichael to officiate as Chief Secy to Govt until further orders.
Mr Henry Martin Winterbotham, Actg Special Asst to the Collr and Mag of Malabar, to act as Malayalum Translator to Govt during the absence of Mr Thompson, on leave or until further orders.
Under the provisions of Sec 82 of Act VII of 1877, the Govr in Council is pleased to appoint the undermentioned officers to institute proceedings under the said Act for offences committed in the Districts specified opposite their names, Latham and Co ; 60 casks disinfecting powder, Woomersey Brothers ; 75 drums linseed oil, Doosabhoy Sullemanjee ; 12 packages hardware, Kalyoy Tyebally.
J C Stevenson s—100 cases old tom, Jamsetjee Nowrojee ; 8 casks zinc sheets, Ranchunder Mahadew and Co ; 102 kegs iron nails, Hansumally Lallmorys ; 2 cases fancy soap, Edulje Cowasjee Dunal ; 50 cases champagne, Ewart, Latham and Co ; 15 cases glassware, Rahimbhoy Rehemtoola ; 6 casks iron wire, Esoofbhoy Cadarbhoy ; 35 cases claret, 25 cases cognac 6 cases champagne and 19 cases hock, Cutler, Palmer and Co ; 4 bales wall paper, Abdoolally Sumsoodin.

FROM TRIESTE.

Castore s—1,500 cases kerosine oil, M Mondolfo and Co.

FROM BORDEAUX.

Precurseur s—10 cases brandy, C Bouneviaile.
Sumatra s—10 cases brandy, C Bouneviaile and Co.

DAILY EXPORTS.—MARCH 17.

FOR LIVERPOOL.

County of Caithness—470 bales cotton, Peel, Cassels and Co ; 514½ cwts. myrabollams, Meoljee Jeitha and Co.
Apelles—100 bales cotton, Lalchund Ramdiyall.
Aldergrove—57 bales cotton, Dowjee Bhanjee and Co ; 20 bales cotton, Campbell, Mitchell and Co.
Dunrobin Castle—74 bales cotton, W. Nicol and Co.
Sherman—2,040 cwts. linseed, Black, Nixon and Co ; 200 bales cotton, E. Spinner and Co.
Blenheim s—99 bales cotton, Muthooradass Lucmedass ; 100 bales cotton, Peel, Cassels and Co.
Trinacria s—1,600 cwts. wheat, Killick, Nixon and Co ; 7 bales skins, Dossabhoy Merwanjee and Co ; 50 bales wool, Shamjee Veerjee ; 25 bales wool, Gangjee Thackersee ; 100 bales cotton, Lyon and Co ; 301 bales cotton, H. Clark and Co.
Standard s—65 bales wool, Lalbhur, Govindjee ; 105 bales cotton, Jamsetjee Curseejee ; 23 bales cotton, Motichund Heeracbund ; 77 cwts ambahuldee and 40 bales wool, Poonja Nursee.
Renown s—174 cwts linseed, W. H. David ; 250 bags myrabollams, Joseph Soares ; 26 bales wool, Tricumdass Abjee ; 54 bales cotton, Amerchund Cullianjee ; 69 bales cot on, Jairam Dayall ; 109 bales cotton, Lyon and Co ; 84 bales cotton, Telly and Co ; 72 bales cotton, Govindram Dwarkadass ; 9 bales wool, Vullubdass Nursee.
Caradoc s—50 bales cotton, Kilgour and Co.
Nellie Martin s—500 bales cotton, Nussewanjee Mancekjee and
Rinaldo s—4,800 cwts wheat, Finlay, Scott and Co ; 400 cwts linseed, W and A Graham and Co.

FOR LONDON.

Mongol'a s—36 cases olibanum, Mitha Munjee ; 1,398 cwts rapeseed, Raili Brothers, 500 bales cotton, Knoop and Co ; 7 bales hides, Merwanjee Muncherjee Mody and Co.
Abraraan—1,259 cwts linseed, Wallace and Co.

FOR HAVRE.

Prince Regent—100 bales cotton, Gaddum and Co.
Raphael—100 bales cotton, Raili Brothers.
Stornoway—250 bales cotton, H Clawson and Co ; 300 bales cotton, Vinay and Co ; 320 cwts horns, Geo., Lockhart and Co.

FOR VENICE.

Castore s—100 bales cotton, Finlay, Scott and Co ; 53 bales cotton, Greenes, Cotton and Co ; 100 bales cotton, Lyon and Co ; 300 bales cotton, W Nicol and Co.

FOR TRIESTE.

Castore s—126 packages coffee, A Bisschock and Co ; 470 bales cotton, W Nicol and Co ; 1,000 bales cotton, Geo., Lockhart and Co ; 300 bales cotton, Wallace and Co ; 300 bales cotton, Volkart Brothers.

FOR GENOA.

Trinacria s—250 bales cotton, Peel, Cassels and Co.

FOR FALMOUTH.

Dilawar—2,373 cwts linseed, Wallace and Co.

FOR SUEZ.

Sumatra s—4 cases tea, and 1 case shawls, Ahmedshaw Esoofshaw.

FOR CALCUTTA.

Canara s—125 bales cotton, Nopechund Nowrungroy.

FOR HONGKONG.

Lombardy s—250 baskets onions, Fudumsey Dhunjee ; 100 bales twist, David Sassoon and Co ; 11 bales twist, Ebrara Noordin and Co ; 25 bales twist, A. Habibbhoy ; 57 chests opium, Jairazbhoy Peerbhoy ; 19 chests opium, N. J. Abraham ; 100 bales onions, Hasson Ruben ; 263 pieces E. teeth, Jairazbhoy Peerbhoy ; 140 chests opium, E. D. Sassoon and Co ; 20 chests opium, David Sassoon and Co.

METEOROLOGICAL OBSERVATIONS.

GOVERNMENT OBSERVATORY, COLABA.

BOMBAY, 16th March 1877.

Means of observations taken at 6 a.m., 10 a.m., 2p.m., 6 p.m and 10 p.m.

Barometer corrected	32 deg. Fah ..... 29'893
Temperature of the Air	79·4
Wet Bulb Thermometer	67·4
Dew Point	60·9
Relative humidity of Air	0·536
Extent of cloudy sky (the whole sky clouded=8).	0·0
Maximum temperature of air (read at 6 p.m)	85·4
Minimum do. do. (read at 9-30 a. m.)	70·5
General Direction of wind	N, NNW, N, NNE, NE, NW, NNW, NNE, N.
Movement of wind in 24 hours	333.

HIGH COURT.—19TH MARCH.

(Before the Honourable SIR CHARLES SARGENT.)

LONG CAUSES.

388-75—P Kawasjee—Pestonjee Rustomjee vs Lalbhoy Vullubbhoy and another—F and Smith and Macfarlane.—Part heard.
365-76—Lynch and Tobin—Kevulbhoy Jaichund vs Nahalchundbhoy Nathoobhoy and others—Tyabjee and Syani.—Part heard.
573-76—Rimington, Hore and Langley—Lalavahoo and another vs Frempee Mooljee and others—Shapoorjee and Thacurdass and H and C.
188-76—Chalk—Mereclth Jones vs Joseph C Lawrence and others —Jefferson and Payne.
229-76—L Fletcher—Nameebai vs Pudma Maloo—Balcrishna and B.
660-76—M H Khan—Eliazer Ezeobjee Sanker vs Nenbai widow —Tyabjee and Sayani.
228-76—Prescot and Winter—A Buchanan and others vs Hajee Abdoolram on Allbuckin—Craigie, Lynch and Owen.
413-74—Ty-bjee and Sayani—Nujmoodeen Shaikally vs Zenaboo widow and others—Jefferson and Payne.
653-76—Balakrisna and B—Eduljee Cursetjee C vs Eduljee Nusserwanjee J—J C Cama.

(Before the Honourable MR. JUSTICE BAYLEY.)

FOR JUDGMENT.

416-76—M H Khan—Hajee Adam Hajee Esmail vs Doonga Heera and others—Kimington, Hore and Langley.

LONG CAUSES.

609-76—Shapoorjee and Thacurdass—Burjorjee Sorabjee vs Pestonjee Hormusjee S and others—Khunderao and J C Cama.
124-75—Shaoorjee and Thacurdass—Bai Coorbai and another vs Khimjee Soonderjee and another—Rimington, Hore and Langley.

(Before the Honourable MR. JUSTICE GREEN.)

LONG CAUSES.

84-76—Shamrao P—Hurrish

SPECIAL TELEGRAMS FOR THE BOMBAY GAZETTE.

OUR RELATIONS WITH CABUL.

(FROM OUR SPECIAL CORRESPONDENT ON THE FRONTIER.)

PESHAWUR, 17TH MARCH.

The two Envoys have been occupied in discussing past misunderstandings; negotiations have not yet been opened. The Cabul Envoy is seriously ill, and at present is unable to leave his bed. The Indian Government only demand that the Ameer should give present amicable relations a more positive tone, and that we should be put in a position to ascertain all the movements on the Herat Frontier. On these conditions we will guarantee to aid in defending Cabul against Russia if necessary, otherwise we will decline assisting Cabul under any circumstances; but under no circumstances is it intended to send an expedition to Cabul. This is the new policy which Sir Lewis Pelly comes to carry out.

RUMOURS ABOUT THE AFFAIRS OF AFGHANISTAN.

LAHORE, 18TH MARCH.

The Lahore paper says:—It is said at Cabul that the Peshawur Conference originated in a proposal to establish a British Cantonment in Afghanistan, the Ameer demanding a crore of rupees and cession of territory up to Jhelum, and that Atta Mahomed Khan's going away on leave is owing to his failure in arranging matters. The Cabul Minister also having failed in his mission is ready to leave Peshawur. It is everywhere believed that the Ameer will make war, probably, by invading Khelat. The people are ready to rise at the bidding of the Ameer, and the Akhoond of Swat has sent his son to Cabul to further incite the people to a religious war. A Russian agent has lately arrived with a letter from the Governor, offering money equal to that offered by the British with the addition of a guarantee of non-interference with Cabul affairs.

SEPARATION OF THE FRONTIER FROM THE PUNJAB.

(FROM OUR CALCUTTA CORRESPONENT.)

CALCUTTA, 18TH MARCH.

A telegram to the *Englishman* from Lahore announces that the separation of the frontier from the Punjab is definitely decided on; Sir L. Pelly becomes Chief Commissioner of the Frontier. I have, however, the best authority for knowing that the above information is incorrect.

THE CALCUTTA VOLUNTEERS.

The Viceroy, wearing the uniform of the regiment, inspected the Calcutta Volunteers yesterday. Lady Lytton distributed the prizes.

APPOINTMENT.

Mr. G. H. Hart has been appointed Assistant Accountant General, Bombay.

[REUTER'S TELEGRAMS.]

ENGLAND AND THE RUSSIAN PROTOCOL.

LONDON, 17TH MARCH.

In the House of Commons last night Sir Stafford Northcote, replying to a question put by the Marquis of Hartington, said the report that England had accepted the principle of the Russian Protocol but with certain amendments, was true, and that Count Schouvaloff had received the amendment *ad referendum*, and now awaits instructions from his Government.

SIR HENRY ELLIOT.

Sir Henry Elliot has been ordered to return to Constantinople to resume his post as British Ambassador at the Porte.

LIVERPOOL WEEKLY COTTON REPORT.

LONDON, 16TH MARCH. NOON.

Total Week's Sales of Cotton	35,000	bales.
Amount forwarded	10,000	do.
Do. Week's sales of Surats	6,000	do.
Amount forwarded	1,000	do.
Do. Week's Imports of Cotton..	177,000	do.
Do. do do. Surats..	8,000	do.
Do. Stock of Cotton	1,073,000	do.
Do. do. Surats	30,000	do.
Do. Stock of Cotton in London..	29,000	do.

LONDON, 16TH MARCH, AFT.

The Liverpool Cotton Market closed flat. Surats flat.

The London Cotton Market has been flat.

Fair Dhollera	5 3/16d.
The Manchester Market has been flat.	
7 lbs. Shirtings	6s. 6d.
8¼ lbs. do.	7s. 10½d.
40s. Mule Twist.....	0s. 11½d.
3 per cent. Consols for account	96⅛
5 per cent. French Rente 1872	108
Bar Silver	54⅞

RATES OF EXCHANGE ON LONDON.

Market declining.

Bank Bills, on demand	Is. 8 15.16d.	per Rupee.
Bank Bills, 6 months' sight...	Is. 9¼d.	"
Credits 3 months' sight...	Is. 9⅛ to 5-16d.	"
Sovereigns	Rs. 11-7-6 each.	

LINE REPORTS.—18TH MARCH.

Cable right to Fao. Turkish line interrupted beyond Semava. Persian line right to London.

SIR JOHN STRACHEY has, it will be observed, fixed the rate of exchange for the adjustment of transactions with the Imperial Government at 1s. 9¾d. for the year 1877-78.

THE return of Sir Henry Elliot as Ambassador to Constantinople, which is announced this morning, is the most significant proof the English Government could give of its determination not to abandon Turkey.

THE G. I. P. Railway dividend for the half year ending 31st December last amounts to only £4 7s. 5d. per cent. per annum, though it was hoped the line would pay the full 5 per cent. for the half year.

WE publish in a supplement to-day the Financial Statement made by Sir J. Strachey at the meeting of the Viceroy's Council on Thursday last. This supplement also contains a full report of the meeting of the Chamber of Commerce on Friday last. Our *Overland Summary* also contains this report and the Financial Statement, in addition to the usual intelligence.

THE public offices in Calcutta will be closed on the 28th March; the Viceroy starts on the 2nd of April.

THE Board of Directors of the Bank of Madras have elected the Hon'ble J. G. Coleman and Mr. John Miller, the Administrator General, members of the Board, in the room of Mr. Alexander Mackenzie and Mr. Ernest Barclay resigned.

THE *Ceylon Times* tells us that a marriage has been arranged between the Hon. Robert Cranmer Trollope, brother and heir presumptive of Lord Kesteven, and Miss Robinson, daughter of Sir Hercules Robinson, Governor of New South Wales.

THE total value of silver exported from Southampton from the 1st of January to the 9th of February to India, Chine, and the Straits, was £1,341,215. of which £1,192,250 was sent to India, £57,665 to China, and £91,300 to the Straits.

THE Madras Health Officer has reported to Government that daily reports of the Health Inspectors show that cholera is on the decrease in the city of Madras, and is of a less formidable character; in fact, the cholera cases reported are evidently bowel complaints, or a rapidly fatal flux now called "famine diarrhœa." Small-pox retains its virulent type. Mr. Stanborough fears that cholera will not be entirely stamped out until we have a heavy downpour of rain.

SIR RICHARD TEMPLE, accompanied by his Secretary, Mr. Bernard, his Private Secretary, Mr. Buckland, his Aide de Camp, Captain Rivett Carnac and Doctor Harvey left Madras by the mail train on Wednesday last for Sholapore, under a salute of 13 guns from the saluting battery. Major Bertie Hobart accompanied His Honour to the Central Station in the Governor's carriage, escorted by two troopers of the Governor's body guard. There were nineteen carriages to the train.

THE *Indian Tribune*, a Benares paper, makes the following announcement, apparently with authority:—"We understand that Mr. Robert Knight of the *Statesman and Friend of India* has made up his mind to buy up the *Delhi Gazette*, and is now engaged in making necessary arrangements. He has just left Agra for a trip to Jeypore and Delhi, but will return there towards the end of this week. Mr. Knight proposes to spend a portion of every year at Agra. We should not at all wonder if the *Delhi Gazette* is ultimately removed to Allahabad.

THE following items of American news are published in the *Times* of Feb. 22:—

Mr. Foster, Republican, of Ohio, representing the district where Mr. Hayes lives, made an important announcement in the House yesterday. He stated that Mr. Hayes, when President, would treat the South as a test, not as provinces, avoiding all cause for parties hereafter forming on a sectional basis. He complimented the southerners on their statesmanship and moderation in the present crisis, adding that the new President expected their co-operation. The belief that Hayes intends to support this policy leads the Southern Democrats to acquiesce in his inauguration. They expect, in return, the recognition of the Democratic Governors of South Carolina and Louisiana.

President Grant announced to the Louisiana deputation visiting him that the Administration policy there will not be changed. This satisfies the Democrats.

MR. G. W. ALLEN, Honorary Secretary to the Mayo Memorial Committee, has perhaps forgotten that lotteries are proscribed by the law of the land, and that one Indian newspaper came to grief some time ago by overlooking that unpleasant fact. A supplement to the *Pioneer* contains the prospectus of a "grand lottery for a lakh of rupees," wherein the public are invited to gamble for some seventeen plums of different sizes in the interest of the Mayo Memorial Fund. Unless a supplement, observes a Calcutta contemporary is separated by some refined distinction from any other sort of advertisement, we fear that the Honorary Secretary to the Mayo Memorial Fund has committed a serious mistake; and, in any case, it does not strike us that much glory is reflected on the Fund by proceedings of this stamp.

DURING the last few days, the *Pioneer* of Friday last says, there have been several storms in the Allahabad district with slight rain, which, however desirable for moderating the rapidly rising temperature, cannot but injure the crops now ready to be gathered in. On Saturday, Sunday, and Monday, the barometer stood slightly lower than usual, with light winds from the north, but on Tuesday the wind changed to south or S. S. W. bringing up heavy clouds, and restoring the pressure to its usual amount. A few drops of rain fell that morning, and there was a regular dust-storm from the west at 6 P. M. During the early hours of Wednesday morning the wind was easterly, but the upper clouds were rapidly drifting in the opposite direction. The usual afternoon fall of the barometer was prolonged until nearly 8 P. M. instead of reaching its minimum at 4 P. M., and shortly afterwards a thunderstorm commenced which continued almost without intermission till next morning. Rain began to fall about half past nine, and continued to come down at intervals throughout the night, but was never very heavy, the total fall amounting to only half an inch.

A NEW native weekly, called *The Empire* is about to appear in Calcutta, of which Babu Nemye Chand Seal is the proprietor; and the Editor, the *Statesman* hears, will be the Rev. Lal Behari Day, who, by the way, is a servant of Government, a fact worthy of notng. The prospectus informs us that "*The Empire* will be conducted by Bengali gentlemen of acknowledged literary ability. It will consist of sixteen pages of foolscap size, and will be published every Friday morning." It is to advocate "unswerving and heartfelt loyalty"; and to support all measures tending to the political, social, and moral improvement of the people of India. It will endeavour to establish good understanding between British and Indian subjects of her Majesty, to support Government measures when it can and when it cannot, to "give its reason of dissent with temper, deference and respect." And it will be one of its chief aims "to represent to the ruling authorities the views, on all imperial questions, of the best educated and most cultivated classes in the country." It will make its first appearance on the 4th of May.

THOSE who take an interest in the establishment and development of the iron industry in this country will be glad to learn that so far as the manufacture of "pig iron" is concerned, the efforts of the Bengal Iron Works Company may be said to have been crowned with success. Like all new and doubtful undertakings, the Company certainly undertook a great responsibility, involved more or less in uncertainties; and at a sacrifice of no less than eight lacs of rupees it has now succeeded in placing it beyond doubt that, with purely Indian materials and men, satisfactory results may yet be expected. At present, the *Statesman* tell us, it is not the intentionof the Company to set up "rolling mills" and "puddling" furnaces, but confine to itself to the manufacture of pig iron, and "foundry" work. The "outturn" of "pig" from one furnace, we are informed, is about 25 tons per diem; and as the Company possesses two furnaces, it will not be long before we shall see it in a position to put out on an average 50 tons, which, valuing roughly at Rs. 30 per ton at the works, will be equivalent to Rs. 1,500 per diem. We hope the recent order of the Government of India to reduce Indian indents on England for all description of ironwork to a minimum, with the view of encouraging local manufacture, will be strictly adhered to by the Department of Public Works.

A CORRESPONDENT writes to the *Indian Daily News* from the Nepaul border:—"Sir Jung Bahadoor died at Parthurghutta on the 25th February or 27th Falgoon, known as the 'Govind Doadussi,' a day that many an orthodox Hindoo would like to die on. The body was kept for four days before it was burnt. News having gone to Nepaul, on the fourth day an officer from the court come and after examining the body allowed it to be burned. The eldest Rani, known as the Mya Maharanee, was with him. On Jung's death she immediately ordered her eyes to be bandaged as she did not wish to set eyes on another male person after having lost her husband; and on the body Jung Bahadoor was burned she performed 'suttee.' While the bodies of the two were being burned, the other two Ranis (who were also with him) expressed a wish to become 'suttee' also, so they were pushed into the fire without further ceremony. Rumour says they hesitated, but the rule is when once a woman has said she wishes to become 'suttee' she is forced into the fire *nolens volens*, and as there were many drums, the shrieks, &c., could not very well be heard. A rumour was current some days before Sir Jung's death that the wife of a *Nepaulese Thapa* had given birth to a child who spoke when a day after he was born, to the effect that within three months Sir Jung's authority would cease. Another rumour—the King of Nepaul expressed a wish to accompany Sir Jung into the Terai known as the *Mudhase*, to which Sir Jung strongly objected, whereupon the King waxed wroth, and sent for a *Jothkhi* Pundit and asked him how long would Sir Jung live, to which the answer was given that he had a long life before him. Upon which the King asked, is there no way of bringing his life to a close. The Pundit answered that if Sir Jung could be induced to kill one hundred wild animals of one kind he would surely die. Sir Jung on leaving Nepaul, was accordingly directed by the King to return with the skulls of a hundred tigers and no sooner had he finished the tale, than he died. It is a fact that Sir Jung had never been known to kill so many tigers as in this last bout."

CAPTAIN BYTHESEA, V. C., R. N., returned to Calcutta on Wednesday from the Andamans, where he has been combining duty with pleasure. The various steam launches and long boats belonging to the Indian Marine have no doubt all been inspected by the Consulting Naval Officer to the Government of India; and we trust that the gallant officer's health has been renovated by the pleasant sea trip. In the ordinary course of events, it is probable that Captain Bythesea will be promoted to flag rank during the next few months, but as he has not yet served the requisite sea time to entitle him to go afloat as an admiral, he will be relegated to the retired list. This, however, will not interfere with his serving the Indian Government, and the *Indian Daily News* believes it is at present his intention to serve out his engagement, which will keep him out here another two years. This should give him time to set the New Indian Marine, which Sir Edwin Johnson is about to create, fairly on his sea-legs. How the administration of this department is to be carried on is yet a secret, but if it is to continue subordinate to the Military Department, it is hardly likely that an officer of Captain, or as he would then be, Admiral Bythesea's standing would care to serve as an Assistant Secretary under a military officer of junior rank. In the interests of the new service itself, which will no doubt be officered to some extent from the Royal Navy, it would be advantageous that it should be administered by a separate department, less cumbrous by far than any of those now existing, but independent, and with a staff who know something of the duties and service they would have to direct.

BOMBAY.

VAGRANTS.—Two Europeans, named Thomas Robinson and James Trainor, were, on Saturday last, declared vagrants by Mr. C. P. Cooper, the Senior Magistrate, at the Fort Police Court, and were ordered to be sent to the Government Workhouse.

LECTURE AT THE F. C. INSTITUTE.—Professor Wordsworth will deliver a lecture next Wednesday afternoon, at half-past 5 o'clock, on "The Buddhist Church of Thibet and the Historical Analogies of Buddhism and Christianity." The lecture will be given in the large hall of the Framjee Cowsjee Institute, and we may remind our readers that the lecture is open free to the public.

SERIOUS ACCIDENT AT KIRKEE.—A correspondent writes:—"Lieutenant Beaufort, of the Royal Artillery had a serious fall from his horse last Saturday. The horse slipped while cantering over some rocky ground, and lo-ing his feet came over on his head, pitching his rider heavily against a curb stone. Two ribs were broken and wrist dislocated, but the gallant officer, from latest accounts, is doing well."

CHEATING.—Sewpall Chutta, a black-smith in the employ of the G. I. P. Railway Company, appeared on Saturday at the Girgaum Police Court, before Mr. Dossabhoy Framjee, and obtained a warrant for the arrest of two Marwarees, residing at New Nappada—one Dewa and one Pooma, charging them with cheating in respect of a sum of Rs. 400, alleged to have been lent to the accused parties by the complainant. In securing for the sum a quantity of gold and silver ornaments were left in pledge, which ornaments were afterwards discovered to be false and not the genuine gold and silver, as represented by the accused parties.

A SUIT BY THE CHARTERED BANK OF INDIA.—A suit brought by the Chartered Bank of India, Australia and China against Premchund Jaichund was heard at the High Court before Mr. Justice Bayley on Saturday last. Mr. Pigot, instructed by Messrs. Craigie, Lynch, and Owen, appeared for the plaintiffs. There was no appearance for the defendant. The Bank advanced to defendant Rs. 4,750 on the deposit of a Government Loan for Rs. 5 000, on which they had drawn Rs. 225 interest and credited it to the defendant. The account was made up on the 1st March last, when Rs. 4,734 were found due from the defendant. A demand had been sent in October last to his address at his house in Bazaar Gate Street; but no portion of the money had been paid. His Lordship gave a decree for the plaintiffs for Rs. 4,734, with interest from 2nd March 1877 on Rs. 4,750, at 9 per cent till judgment, costs Rs. 270, and interest on the judgment at 6 per cent until payment.

FATAL JUMP OFF THE ROOF OF A HOUSE.—A Coroner's inquest was held on Friday at Old Jamblee Street on view of the body of Chagpal Damjee. Deceased was about 30 years of age; he followed no occupation, but was in the habit of gambling. On Saturday, the 10th inst., about midnight, Mr. Superintendent Mills and others of the Police were executing a warrant for the arrest of gamblers at a gaming house at Candawady, the deceased who was one of them, attempted to escape through a back window which lead to the roof of an adjoining house, and from thence jumping into a paved gully he broke his leg. He was removed to the J. J. Hospital for treatment, but subsequently after remaining in hospital for three days returned to his own residence, where he expired from the effects of the injuries he had sustained. The following verdict was returned by the jury:—"That the death of the deceased was caused by injuries received by jumping off the roof of a house."

INFANT MARRIAGE.—Rao Bahadoor Sumboopursad Luxmilal, Assistant Settlement Officer in Guzerat, but at present employed as the sole administrator of the Morvee State in Kattywar, is held in the highest esteem by the Bombay Government, on account of his varied experience in revenue and political matters. For this very reason, he was nominated one of the members of the Deccan Riots Commission. His present age is nearly 65 years, and he is considered to be a man of education and of enlightened views. It is with perfect amazement, therefore, that we read in a vernacular paper, that this old gentleman has a few days since married a girl about eleven years old. It is true that his caste does not allow him to marry a widow; but this does not justify his betaking to himself so young a girl as his wife, and supposing that this unfortunate female becomes a widow, she will remain so for the rest of her life. It is hard to reflect that an old, well educated, and professedly enlightened man should have thought of contracting such a marriage. A very bad example has been set, the effect of which must be debasing on the mind of the Hindu community.

THE MISSING BAGGAGE.—The charge brought against Pestonjee Sorabjee, the driver of a hack shigram, by Kasinath Vishwanath, the vakeel of the Punt Prutinidhi of Sattara, for omitting to make over to the Commissioner of Police property which was left in his shigram on the evening of the 12th instant, was enquired into before Mr. Dossabhoy Framjee, at the Girgaum Police Court, on the afternoon of Friday last. The evidence clearly showed that the accused, on returning to his stable, made over the horse and shigram to the charge of the boy who had attended him and to a *gharawalla* doing duty at the stable. These two persons, who had been produced as witnesses on behalf of the prosecution and who stated that the parcel was sent by the accused to his own house, grossly contradicted each other. Their demeanor in the witness-box was such as to betray their own guilt in the matter, and it was strongly suspected that the parcel was taken out of the shigram and concealed by the boy and the *gharawalla* without the knowledge of the accused. They could not explain how the parcel came to be concealed in the stable under the grass, after, as they stated, it was taken by one of them to the house of a relation of the accused. The accused was accordingly discharged.

PROSECUTIONS BY THE S. P. C. A.—Durma Balloo, cart driver, for working his bullock in Parell road, the animal being lame of the near foreleg, was fined Rs. 3.—Amrotee Gopal, cart driver, for working his bullock in Parell road, the animal being lame of the near foreleg, was fined Rs. 3.—Hurree Essoo, cart driver, for working his bullock in Duncan road, the animal being lame of the off foreleg, was fined Rs. 3. —Essaram Byroo, cart driver, for working his bullock in Bellasis Road, the animal being lame of the off foreleg, was fined Rs. 3.—Ittoo Khandoo, cart driver, for working the same bullock in Falkland Road, the animal being lame of the off foreleg, was fined Rs. 3.—Essoo Mahadeo, cart driver, for working his bullock at Cammatteepoora, the animal being lame of the off foreleg, was fined Rs. 3.—Hurree Tookaram, cart driver, for working his bullock in Falkland road, the animal being lame of the near foreleg, was fined Rs. 3.—Ittoo Nowjee, rechla driver, for working his bullock at Kotwaddy, the animal being lame of the near foreleg, was fined Rs. 4.—Mahadeo Suddoo, cart driver, for working his bullock in Falkland road, the animal being lame of the off hind leg and in an emaciated condition, was fined Rs. 3.—Dattu Tookaram, cart driver, for working his bullock at Cowasjee Patell Tank, the animal being lame of the off foreleg, was fined Rs. 5.—Jadow Luximon, cart driver, for working his bullock in Bhooleshwur road, the animal being lame of the near foreleg, was fined Rs. 5.

ILLEGAL SALE OF MUSKET LOCKS.—This case was called on for hearing on Saturday at the Fort Police Court, before Mr. C. P. Cooper, the Senior Magistrate, in which a Mahomedan dealer in hardware, named Alibhoy Hussainbhoy, was charged under Section 5 of Act 31 of 1860 with selling two musket locks and keeping for sale 513 other musket locks at his shop without a license from the Commissioner of Police. Mr. Cleveland (of Messrs. Hoare and Cleveland), acting Public prosecutor, appeared for the prosecution, and Mr. Langley (of Messrs Rimington, Hore, and Langley) for the defence. Mr. Cleveland, in opening the case for the prosecution, briefly related the circumstances of the case, and how the case bore under the section of the Act under which the defendant was charged. Mr. Langley in replying contended that his client was not liable under the section, which applied only to the sale of firearms, and asked His Worship to discharge the defendant. The Magistrate, after considering the points held by the counsel for the prosecution and defence, decided that musket locks should be classed as military stores, and said he had no doubt that the Police Commissioner was anxious to prevent the sale of these articles which naturally forms part of a firearm, and asked Mr. Langley whether his client had made any arrangement with the Commissioner to have the charge withdrawn. Mr. Langley said his client is willing to obtain a license, if a license be issued for the sale of these musket locks by the Police Commissioner and the charge withdrawn. His Worship thereupon postponed the hearing of the case to the 21st instant, that the defendant might be able to make the necessary arrangement with the Police Commissioner regarding the matter.

THE JAIL POISONING CASE.—Further proceedings have taken place in the City Magistrate's Court, Karrachee, in the "Jail Poisoning Case," as it is called. Last month we reported the first two days' proceedings. A prolonged adjournment took place, and after successive investigations the case was committed to the Sessions Court. The next Criminal Sessions will commence on the 16th proximo. The arrest of the late Deputy Jailor, who appears to be implicated in the diabolical attempt made to poison the Jailor and his family, will follow the conviction of the parties now awaiting trial. If guilt be brought home to them the truth of the evidence of the several witnesses will have been established and their evidence goes to show that the late Deputy Jailor took an active part in the conspiracy to deprive the Jailor and his family of their lives.—*Sindian.*

ARRIVAL OF TROOPS AT POONA.—H. M.'s 2-11th Regiment arrived on the evening of Thursday last, and were played into Cantonment by their own band, as also those of the 2nd Queen's Royal and the 5th Bombay N. I. They are altogether a fine body of young men, and we were glad to notice both officers and men looking well as they did after the fatigue of the voyage from home. They have, we fear, come into Poona at a bad time, our weather just now being far from pleasant. We hope, however, that the monsoons which are generally delightful in Poona will make amends for the present hot weather. Directly on the arrival of the 2-11th Regiment the mounted portion of the two regiments from Bombay commenced to wear pugrees on the top of the helmet, an appendage that hitherto use only apperteined to mounted corps. The most of the officers have taken up their temporary abode in the Napier Hotel. The prominent commanding officers are Lieut.-Colonel Keane, 2-11th Regiment; Major Crispin, 4th Rifles; Colonel T. Thatcher, 20th Regt. N. I.; Captain J. Becke, 21st Regt. N. I.; and Lieut. F. Stevenson, 20th Regiment, N. I. To the last named officer, who acted as Honorary Secretary, must be attributed almost the entire success of the evening. Lieut. Stevenson was on the ground the whole day, personally superintending the pitching of the tents and all the other arrangements, a by no means easy or pleasant task in the broiling heat of the sun. Notwithstanding his exertions throughout the day, however, this officer appears to have felt no fatigue; for the interest and untiring energy he displayed in discharging the duties—and more than the duties—of Honorary Secretary, during the sports, as well as his courtesy and attention to those present, contributed, in no small degree, to the general success. The races were not taken exactly in the order laid down in the programme. The following was the programme that was gone through:—

I—VAULTING WITH POLE—1st prize, Rs. 6, won by Ram Narayen Misser, 20th Regt. N. I. 2nd prize, Rs. 3, won by Lance Naik Badree Dichett, of the same regiment.

II—EGG AND SPOON RACE—1st prize, Rs. 15; 2nd prize, Rs. 8; both won by men of the 20th Regt., N. I.

IV—FLAT RACE, 150 yards—1st prize, Rs. 6, won by 21st N. I. 2nd prize, Rs. 3, won by 21st N. I.

V—QUARTER MILE—1st prize, Rs. 10, 21st Regt. (M. B.); 2nd prize, Rs. 5, 4 th Rifles.

VI—CHOKRA BOY HANDICAP, 150 yards. (Five feet Scratch, 10 yards for every inch under.) 1st prize, Rs. 5, won by recruit Cundoo Raju, 20th N. I.; 2nd prize, Rs. 2, won by recruit boy Shaik Abdool, 20th N. I.

VII—PICK-A-BACK RACE, 100 yards.—Catch weights over 7 stone. 1st prize, Rs. 8, 21st Regt., (M. B.) 2nd prize Rs. 4, 20th Regt., N. I.

VIII—CHAMPION RACE, blindfolded, 100 yards.—1st prize, Rs. 8, 20th Regt., N. I. 2nd prize, Rs. 4, not awarded to any one, as there was a dispute as to who came in second.

This race was one of the most amusing in the programme. Those who contested for the prizes wore masks, made of black and coloured cloths, with which they were completely blind-folded. These facial designs, somewhat after the fashion of those worn at Christmas pantomimes, would have done credit to the inventive ingenuity of any fancy-ball *costumier*. The noses especially were prominently designed, and were like Joseph's coat, of many colours. Besides the pleasantness of having the water from the chatties running in profuse streams down their heads and backs, the competitors, being unable to see, took different directions when the signal to start was given; and diverged from the starting point like the radii of a circle. One of them, with his grotesque mask on, and a heavy chatty of water on his head, ran against the discomfiture of the horse (to say nothing of its gallant rider) when the chatty of water broke on the hind quarters of the former and caused it to make a few disagreeable manœuvres among the crowd.

IX—THREE-LEGGED RACE—1st prize, bag of rice, won by Private Shaik Abdul Carreem, 21st N. I.; 2nd prize, a sheep won by the same man.

There were only two or three who contested for this prize, all of whom were natives; but none of them appeared to have been up to the ingenuity of the worthless bullock in the animal mess-room at Parell. Lying occasions, to have a sufficient supply of coarse sand to remove the slipperiness from off the pole, did not seem to suggest itself to the competitors.

X—THREE-LEGGED RACE, 100 yards—1st prize, Rs 8, won by Privates Aux Inali and Ramzee Babee, 20th N. I.; 2nd prize, Rs. 4 by Privates Joomun Khan and Moola Bux, 21st N. I.

XI—HURDLE RACE, 200 yards, 6 Hurdle, 3 feet.—1st prize, Rs. 8, 20th Regt., N. I.; 2nd prize, Rs. 4, 4th Rifles.

XII—HURDLE RACE, 200 yards (open to European sailors and soldiers. 1st prize, Rs. 20; 2nd prize, Rs. 5.

This was a "dead heat" between Lance Corporal Smith, H. M. 66th Regt., and Serjeant Randall, R. A. The prize was divided between these two.

XIII—TUG OF WAR—Ten men a side from each Regiment, prize Rs. 20.

This was, perhaps, with the exception of No. XVI. one of the most interesting items in the programme. The first tug was between the 7th and 20th Regiments, N. I., victory being gained by the latter. The next was between the 4th Rifles and the 21st (M. B.) This was a rather tough contest but victory was ultimately in favour of the 20th Regt., who, in the final contest, won the prize from the 21st and 20th.

XIV—SACK RACE, 100 yards—1st prize Rs. 6, won by Sultan Khan, 20th Regt., N. I.; 2nd prize (dead heat), between Marine Battalion, (21st), and 20th Regt., N. I.

XV—FLAT RACE, run him in, 200 yards:—(Open to the Bombay Police only.) 1st prize Rs. 10, Sultan Ali; 2nd prize Rs. 5, Nusseeb Mubareck.

XVI—TUG OF WAR—(Open to European Sailors and Soldiers). Ten from each ship, battery or regiment. Prize, Rs. 30.

This was about the most interesting and amusing contest between the "Jacks" and the soldiers, during the course of the evening. During the contest it was observed that the "Jacks" encouraged their seafaring brethren in the amicable strife, while the soldiers cheered their companions in their contention against the Jacks.

In the first contention the 10 from the Undaunted obtained the victory over an equal number from the 1-6th Brigade, R. A.

In the second there was a contention between H. M.'s ship and H. M. S. Spartan in which the former were victorious. In the 3rd "tug," the 66th Regiment "pulled over" the seamen of the Undaunted, an amusing spectacle being the submersion of the foremost of the Undaunted in the "gulf" of 5 feet deep in which separated the victors from the defeated. In the fourth the men of the 66th "licked" those of the Serapis, and the final pull.

XVII—THE MUSSOOK RACE, 100 yards—Open to Regimental Bhistics only 1st Prize, Rs. 6, won by Bhistie Sheik Ibahee Box, 20th N. I. 2nd prize, Rs. 4, won by Sheik Mohideen 21st N. I.

XVIII—BUCKET RACE (Open to European sailors and soldiers.)—1st prize, Rs. 10, John Bayke; 2nd prize, Rs. 5, John Morgan Davis, both of H. M. S. Undaunted.

This race, though affording considerable amusement to some of the spectators, proved, in the end, a somewhat dangerous source of amusement to others. One of the bulls, having been severely goaded by its owner—one of the "Marines" first charged a seaman and tossed him on its horns, and next directed its attention to an officer, in full naval uniform, whom it took by surprise and charged at, but luckily without doing him any injury. It then became wild, from being struck on the face with a chatty full of water, and charged the general public, causing one of the reporters of the press (who happily escaped any further damage) and hurting one or two others; the utmost hurt inflicted being on a Goanese Christian who was slightly gored on the right hip.

XIX.—DIVING FOR RUPEES IN A TUB OF FLOUR.—Prize Rs. 20.

XX—THREE-LEGGED RACE, 150 yards, (open to European sailors and soldiers). 1st prize Rs. 10; 2nd prize Rs. 6.

The 1st prize was won by two men of H. M.'s 66th Regt., and the 2nd by two men of H. M. S. Spartan.

XXI—FOUR ANNA SCRAMBLE. (Open to chokra boys only.) Rs. 20.

When "the shades of night were falling fast" the guests of the evening began to disperse; but the seamen of H. M.'s ships Serapis, Undaunted, and Spartan, were treated to good cheer at the expense of, we hear, the Committee of the "Native Infantry Sports."

The Sports, altogether, were a complete success; and it is to be hoped that ere long the public of Bombay will be treated to a repetition of the enjoyment.

WHAT BECAME OF HIM.—Mr. Clement Smale is the name of the Bombay attorney who was rescued by the police-boat when he fell into the river off the Hooghly Bridge last week; he had at the time given his name as Clemency Smith. He had lodged on his arrival here at the "Prince of Wales' Hotel" in Bentinck-street under the name of James Martin. He is also the gentleman who lately died from sero-congestive apoplexy at the College Hospital, and the party whose sudden disappearance from Bombay, with Rs. 600 belonging to his clients, was announced in these columns yesterday morning. He was the son of Sir John Smale, late Chief Justice of Hongkong. When removed to the College Hospital there were found in his possession a number of bonds, legal documents, diplomas, certificates, a bunch of keys, a gold pencil case, and a gold chain. These have been made over by the Steward of the hospital to the Deputy Commissioner of Police in whose custody they now are.—*Statesman*, March 15.

NATIVE INFANTRY SPORTS.

ON Saturday afternoon last the Native Infantry sports, under the patronage of Brigadier-General Gell, were held on the Esplanade between the Mayo and Queen's roads. There was an unusually large gathering of ladies and gentlemen. The natives came in considerable numbers, evincing much interest in the sports. For the accommodation of ladies a number of seats was provided and commodious tents were pitched. The ground was well enclosed; and, at measured distances, flags were hoisted on long poles to lend a gaiety to the scene. Considering that the crowd was so great, and, after the manner of crowds, inclined to be unruly, great credit is due to Mr. Superintendent Smith, Messrs. Chislett, Burrett, Langdon, Whitton, Framjee and others, who, under the supervision of Sir Frank Souter and Mr. Edginton, maintained good order. The police were assisted by 150 men from the native regiments. At a cost of Rs. 150 excellent refreshments were provided in the tents for the ladies and gentlemen, as well as for the seamen who, after the sports were over, were treated to roast beef and such like substantial comestibles, with plenty of beer. To say that the latter did ample justice to the good cheer provided for them would be unnecessary; for had they fasted since the first day of Lent their appetites could not have been better. The seamen who took part in the sports were from three of H. M.'s ships now in harbour,—the Serapis, the Undaunted and the Spartan; while the European regiments were represented by men from the I.-C. Brigade, Royal Artillery, and H. M.'s 66th.

The Band of the 20th Regt., N. I., played during the evening's proceedings. Men belonging to four native regiments took part in the sports, and were distinguished by their respective badges worn on the right arm:—the 4th Rifles, *dark green*; 7th Regt. N. I., *white*; 20th Regt. N. I., *red*; Marine Battalion (21st), *blue*. The programme was as various as it was lengthy, there being no less than twenty-one races &c. The Committee consisted of the following officers:—Colonel Carnegy, Marine Battalion; Major Crispin, 4th Rifles; Colonel T. Thatcher, 20th Regt. N. I.; Captain J. Becke, 21st Regt. N. I.; and Lieut. F. Stevenson, 20th Regiment, N. I. To the last named officer, who acted as Honorary Secretary, must be attributed almost the entire success of the evening. Lieut. Stevenson was on the ground the whole day, personally superintending the pitching of the tents and all the other arrangements, a by no means easy or pleasant task in the broiling heat of the sun. Notwithstanding his exertions throughout the day, however, this officer appears to have felt no fatigue; for the interest and untiring energy he displayed in discharging the duties—and more than the duties—of Honorary Secretary, during the sports, as well as his courtesy and attention to those present, contributed, in no small degree, to the general success. The races were not taken exactly in the order laid down in the programme. The following was the programme that was gone through:—

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XI—HURDLE RACE, 200 yards, 6 Hurdle, 3 feet.—1st prize,

THE HOME GOING SEASON.

REQUISITES.

HOMEWARD BOUND PASSENGERS.
ASQUITH & COMPANY'S SPECIAL KIT.

	Rs. a.		Rs. a.
Deck Suits ..... from	1 0	Hand Bags	11 8
Overland Suits	25 0	Best Hide Glass frame	22 0
Warm Suits	35 0	Fitted Dressing Pouches	20 0
Overcoats, Whitney	45 0		
Do. for Evening	22 0	Sheets, ... p pr.	9 8
Cardigan Jackets	9 8	Blankets, fine Scarlet ,,	22 0
,, ,, ,,	11 8	Blankets, fine White Woolen ..... p.pr.	25 0
		Rugs, Long Striped Witney ..... ,,	18 0
Dressing Gowns ... from	17 0	Wands, Fine Scotch, from	22 0
Sleeping Suits ..... 6-8 to	17 8	Pillows, Travelling	2 8
Pajamas	16 8	,, Horse Hair	7 8
Shirts Fine Long Cloth	22 8	,, Steamed Feather ...	7 4
,, Fine fine	28 0	Cases for above ..... each	1 0
,, Printed Cambric	28 0	Toilet Covers ..... ,,	1 0
,, Oxford Cloth	36 0	Cork Mattresses ..... ,,	22 0
,, Flannel	40 0	Camp Bedsteads, Folding, to fit under seat...	35 0
,, Silk & Wool	67 0	Towels, general use ..six	5 0
,, Spun Silk	67 0	Towels, Turkish Bath ..ix	10 8
Under Vests ..... fr.m	14 0	Napkins, fine Damask, doz	10 8
,, ...	24 0		
Socks, Cotton pr. doz.	9 8	Money Belts ..... each	4 8
Socks Merino ..... ,,	15 8	Sovereign Boxes ..... ,,	3 0
Cambric Handkerchief ..... ,,	5 0	Purses, Solid Leather ...	3 0
Linen Tweed Collars ..... ,,	0 14	Chairs, Folding, for Travellers ..... from	6 8
Fine Irish Linen Cambric ..... ,,	6 0	Hand Mirrors, Folding...	2 4
Scarfs, for Fine ..... from	1 6	Hair Brushes, in Leather Case ...per pair	1 8
,, to tie	1 12	Combs, in Cases ..... each	0 12
,, Solid Knot, ,,	1 12	Purses, Solid Leather ...	3 0
Gloves, Warm, Berlin ... pr.	2	Chairs, Folding, for Travellers ..... from	6 8
Mitts ..... ,,	1 12	Hand Mirrors, Folding...	2 4
Mufflers, Warm ..... ,,	2 0	Hair Brushes, in Leather Case ...per pair	1 8
Braces, best quality ... ,,	2 0	Combs, in Cases ..... each	0 12
Travelling Baths, forming Trunks ..... ,,	33 0	Nail Brushes ..... from	0 14
Hat, Soft Tweed	5 6	Tooth ,, ...	0 10
,, Felt, various shapes ..... from	7 8	Guards for above ...as 8 &	1 4
Helmets, Pith	5 0	Clothes Brushes ..... from	1 4
,, White Cork	14 8	Hat ,, ,, ...	1 4
Pugrees	1 8	Shoe Horns ..... ,,	0 14
Caps, Tweed	3 8	Bath Sponges ..... ,,	8 8
,, Balmoral	3 8	Sponge Bags ..... ,,	12 8
,, Turban ... from	3 8	Soap, Horse, metal	2 0
Umbrellas, Alpaca ... from	6 8	Perfumes	1 12
,, Silk ... ,,	13 8	Eau de cologne, the genuine	1 0
,, Sun	7 8	Lavender Water (Sainsbury's)	2 0
Trunks, Overland from	22 0	Pommade (Atkinson's) ...	1 4
,, for Rail	12 8	Lime Juice and Glycerine	0 10
,, Solid Leather ...	50 0		
Bags, Courier or Cash ...	6 12	Razors	2 0
,, Soiled Linen ...	4 12	Nail Scissors	1 8
		Pocket Knives	2 8
		Shaving Brushes	2 8
		Railway Keys	2 0

ASQUITH AND COMPANY,
THE OVERLAND KIT WAREHOUSE,
BOMBAY.

HOMEWARD BOUND PASSENGERS.
ASQUITH & COMPANY'S SPECIAL KIT.

	Rs. a.		Rs. a.
Deck Suits ..... 10 to	15 8	Travelling Caps	4 8
Overland Suits	25 0	Travelling Sealskin Caps ..... 6-8 to	8 8
Warm Suits ..... 30 to	40 0	Travelling Hats	4 8
Boys' Suits	10 8	Cardigan Jackets, very warm ..... 9-8 to	12 8
Overcoats and Ulsters ... from	25 to 65 0	Sheets, per pair	9 8
Dressing Gowns, from 9 to	20 0	Pillow Cases, each ... to	2 0
Pajamas	3 0	Blankets ..... each	10 0
Oxford Shirts, Collar attached	6 0	Long Rugs or Scotch Wools ..... 10 to	10 8
White do.	4 8	Rezais or Quilts	5 0
French Cambric do., Collar attached	5 0	Ladies' Wool Shawls ...	22 0
English Cambric do. ...	7 0	Portmanteaus or Overland Trunks ..... 12-8 to	23 0
Best Shrunk Flannel do...	8 0	Solid Leather do	49 0
Silk and Wool do	8 8	Spun Silk do	45 0
Spun Silk do	6 0	Gents' Large do	25 0
Gents' Under Vests 3-8 to	6 0	Black Hide Bags	11 8
Bathing Drawers	2 0	Extra large do	24 0
Gladstone Bags	37 8	Gladstone Bags	37 8
Gents' Cotton Socks, 3 to	8 8	Ladies' Hand Bags ...	7 8
Warm do ..... to	15 8	Travelling Writing Cases fitted	11 8
Ladies' Under Vests 4-8 to	6 0	Gents' Bags, fitted complete	72 0
Ladies White cotton Hose doz ..... to	13 8	Ladies' Carriage Bags, fitted complete	58 8
Ladies' Heather Merino Hose doz	9 0	Gents' Dressing Cases...	11 8
Children's White Cotton Socks, from doz., 6-8 to	12 8	Solid Leather do	50 0
Heather Merino do. 6-8 to	12 8	Cases, complete .. 25 to	30 0
Ladies' Sun and Travelling Hats, from	5 to 6 0	Soiled Linen Bags, all sizes	5 to 6 0
		Courier Bags ..... 9-8 to	12 8
		Money Belts ..... 5-8 to	6 8
		Despatch Cases	11 4
		Tiffin Baskets fitted, 16 to	22 8
		Air Pillows	5 0
		Travelling do	1 8
		English Feather do	7 8
		Air Beds, Horse Hair do.	7 8
		Folding Camp Bedsteads	32 8
		Cork Mattresses	19 8
		Cotton do	15 0
		Rug Straps ..... 1-8 to	2 8
		Waterproof Coats	10 0
		6-4 inch Twill Waterproof Sheeting	6 0
		42-inch White Waterproof	4 8
		Linen Faced Collars doz.	7 0
		Linen Faced Cuffs per doz.	1 8
		Linen Cuffs per doz.....	13 8
		Linen Collars ..... doz.	6 0
		Cambric Handkerchiefs,	5 8
		Warm Gloves	1 6
		Children's Gloves	1 0
		Mitts	1 8
		Mufflers	2 12
		Braces	1 8
		Sailors' Knot ..... 1-8 to	3 0
		Winders for Bow or Sling ..... 1-8 to	4 0
		Gents' Canvas Shoes.....	2 12
		Gents' Slippers	2 8
		Ladies' Shoes	2 12
		China Bath Slippers	1 8
		Fiders for Travellers covered Wicker, from .. 11	4
		Pocket Filters	2 12
		Air Tight Uniform cases.	22 0
		Sponge Bags	1 8
		Sponges	3 8
		Soap Boxes	1 8
		Shaving Salts, per bottle	2 8
		Aromatic Vinegar per bot	2 0
		Tooth Brush Cases	0 10
		Do. Brushes	0 10
		Nail Do	0 12
		Hair Brushes and Combs in Pigskin ca. 9-8 to	12 8
		Razors, Ivory Handles ..	3 2
		Do. Surgeons ..... 3-8 to	4 0
		Nail Scissors ..... 1-8 to	1 8
		Briar Root Pipes	1 12
		Tobacco Pouches	1 8
		Chamois ne Tops	8 8
		Pocket Knives	2 8
		Marine Soap, 3 cakes for	0 12
		Shaving do Stick	1 0
		Lloyd's Eau sia	1 4
		Lloyd's Tooth Paste	1 4
		Fragrant Florelline.....	1 8
		Lounging Labe's, per doz.	0 12
		Lloyd's Life-Saving apparatus	12 8
		Overland Chairs best Beach ..... 8-8 to	12 8

Suits can be made to order in six hours.

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BADHAM & CO.

ICE! ICE!! ICE!!!
TO REGIMENTAL MESSES, CLUBS, HOSPITALS, HOTELS, &c.
CARRE'S IMPROVED ICE MACHINE
WITH THE NEW CONGELATOR FOR PRODUCING BLOCK ICE
TO BE HAD ONLY FROM
S. Rose & Co., Bombay.

The only Machine suitable for Domestic use; Cheap, Clean, and easy to work; always ready for use and never gets out of order. Full particulars of the *New Congelator* can be had on application to S. Rose & Co.

SPECIAL NOTICE.

S. ROSE & Co.'s apparatus for cooling Wines or Beer with the aid of the Pneumatic Ice Machine and without contact of Ice with the wine, is an entirely new adaptation. Rs. 25 each.

The introduction of Ice or S. Rose & Co.'s apparatus is acknowledged to have supplied a perfect method for cooling Wines or Beer without any risk of injuring the flavor.

Personal inspection of the new apparatus and its accessories is requested, and full practical instructions for using the Machine will be given to the Servants of purchasers.

The mode of producing Ice is by means of a Pneumatic Machine, the air in the Decanter or Vase is exhausted by the action of the air-pump and the moisture, arising from rapid evaporation, absorbed by the Sulphuric Acid contained in the Cylinder B, and hence cold in the Decanter or Vase is the result reducing the water to Ice.

An Illustrated Pamphlet, containing full directions for use, accompanies each Machine.

Apparatus for operating on one DECANTER or VASE with NEW CONGELATOR, ACCESSORIES complete.
Do. on Two DECANTERS or VASES with NEW CONGELATOR, ACCESSORIES complete.
Do. do. on Four DECANTER or VASES with NEW CONGELATOR, ACCESSORIES complete.
Messes, Clubs, Traders, &c., supplied at wholesale Rates.

Sulphuric Acid, Oils, Wax, Leather Washers and all the necessary fittings, kept in stock.

For use in Up-country Stations, Messes, Hotels, Hospitals and on Board-ship, these Machines will be found invaluable; and their portability renders them most serviceable for Camp use. Within fifteen minutes the Machine can be fitted together charged with acid, and the water at 85 deg. Fahrenheit can be reduced to freezing point.

The above Machines can be seen in working order on the premises of S. ROSE & Co., Bombay.

Extract from the *Times of India* for 20th July, 1874.

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CARRE'S IMPROVED (NEW MODEL) AMMONIACAL ICE MACHINES
2 lbs. and 4 lbs. each, complete with furnace, thermometers, &c., instructions for working and making Ices, &c.
FULL PARTICULARS ON APPLICATION TO S. ROSE & Co., 9, RAMPART ROW, BOMBAY.
Railway Ice Box ..... Rs. 50 to Rs. 100
Ice Pail, Ice Tongs, and Ice Hammers.

PERPETUAL FOUNTAIN.
TABLE EPERGNE OR CENTRE-PIECE FOR PERFUMED WATER.
In rich Electro-silvered Ware, Rs. 2-0.
FILTERS.—Spencer's Improved Magnetic Carbide Filter. Price Rs. 15, 24 and 30.
GUN PIGEON TRAP.—An admirable means of training for developing a cool, steady and effective shot. Cash Rs. 37-8.
GAMES, PLAYING CARDS, &c.—Badminton, Croquet, Compendium of Games, Lawn Billiards, Bezique, De La Rue's Playing Cards, &c.
MISCELLANEOUS GOODS in great variety. Albums Postage Scales, Magic Inkstands, Copying Presses, Oleographs, Coloured Photographs, Church services, Cheap Novels, Children's Toy Books, Alphabetical Reference Cases, Despatch Boxes, Writing Desks.
GUNS, RIFLES, &c.—S. ROSE & Co. are the sole appointed Bombay Agents for Messrs. B. Woodward and Sons, whose name is a sufficient guarantee for excellence of workmanship.

NOTE NEW ADDRESS.
S. ROSE & CO., 9, RAMPART ROW,
BOMBAY.

J. NEUBERG,
MEADOW STREET, BOMBAY.
FRESH IMPORTATION OF
LIGHT WINES
For the Hot Weather.
PRICE LIST.

STILL HOCKS.

	Rs. a.
RIESLING ..... Per Doz. Qts.	15 0
BODENHEIMER ..... ,, Qts.	16 0
Do. ..... ,, Pts.	9 0
GEISENHEIMER ..... ,, Qts.	18 0
Do ..... ,, Pts.	10 0
NIERSTEINER ..... ,, Qts.	20 0
Do. ..... ,, Pts.	11 0
RUDESHEIMER ..... ,, Qts.	22 0
Do. ..... ,, Pts.	12 0
LIEBFRAUMILCH ..... ,, Qts.	28 0
Do. ..... ,, Pts.	15 0
HOCHHEIMER ..... ,, Pts.	17 0

5 per cent. discount on taking 5 dozen Quarts.

Lay the bottles on their sides, that the wine may cover the corks.

For consumption in hot climates, no other Wines can surpass and very few can equal,
GERMAN WINES.

SHERRIES.
From *BUTLER and SONS.*
Highly Recommended.

Green Seal, Pale, Dry Superior ..... Per Doz.	25 0
Yellow Seal, Pale, very Dry, extra fine. ,,	33 0

5 per cent. discount on taking 5 dozens.

CLARETS.

MEDOC VIEUX, Breakfast Wine ... Per Doz. Qts.	11 0
Ditto ditto ... ,, Pts.	6 8
PAUILLAC, superior quality ..... ,, Qts.	13 0
Ditto ditto ,, Pts.	7 8
MARGAUX, Dinner Wine ..... ,, Qts.	18 0
Ditto ditto ,, Pts.	10 0
ST. JULIEN, ditto Superior. ,, Qts.	20 0
Ditto ditto ,, Pts.	12 0

J. NEUBERG, SOLE IMPORTER IN BOMBAY OF TH. BICHE-LATOUR'S CELEBRATED WINES.

BURGUNDY.

SAUTERNES ..... Per Doz. Qts.	18 0
BEAUNE ..... ,, Qts.	22 0

HUNGARIAN WINE.

OFNER ..... Per Doz. Qts.	16 0

SPARKLING WINES.

SPARKLING MOSELLE ..... Pts. Doz. Qts.	30 0
Do. do. NONPAREIL ,, Qts.	38 0
Do. do. ,, Pts.	20 0
CHAMPAGNE, Dry ..... ,, Qts.	30 0

5 per cent. discount on taking 5 dozen Quarts.

Memo.—To preserve the effervescing quality of Sparkling Wines, it is indispensable that the bottles should be laid on their sides in a cool place.

J. NEUBERG, BOMBAY.

HOMEWARD BOUND PASSENGERS AND TRAVELLERS
ARE RESPECTFULLY INVITED TO INSPECT
BADHAM & COMPANY'S
CELEBRATED TRAVELLING KIT
READY FOR IMMEDIATE USE.

Cash Prices.

	Rs. a.		Rs. a.
Deck Suits ..... 10 to	15 8	Travelling Caps	4 8
Overland Suits	25 0	Travelling Sealskin Caps ..... 6-8 to	8 8
Warm Suits ..... 30 to	40 0	Travelling Hats	4 8
Boys' Suits	10 8	Cardigan Jackets, very warm ..... 9-8 to	12 8
Overcoats and Ulsters ... from	25 to 65 0	Sheets, per pair	9 8
Dressing Gowns, from 9 to	20 0	Pillow Cases, each ... to	2 0
Pajamas	3 0	Blankets ..... each	10 0
Oxford Shirts, Collar attached	6 0	Long Rugs or Scotch Wools ..... 10 to	10 8
White do.	4 8	Rezais or Quilts	5 0
French Cambric do., Collar attached	5 0	Ladies' Wool Shawls ...	22 0
English Cambric do. ...	7 0	Portmanteaus or Overland Trunks ..... 12-8 to	23 0
Best Shrunk Flannel do...	8 0	Solid Leather do	49 0
Silk and Wool do	8 8	Spun Silk do	45 0
Spun Silk do	6 0	Gents' Large do	25 0
Gents' Under Vests 3-8 to	6 0	Black Hide Bags	11 8
Bathing Drawers	2 0	Extra large do	24 0
Gladstone Bags	37 8	Gladstone Bags	37 8
Gents' Under Pants ...	3 0	Ladies' Hand Bags ...	7 8
Gents' Cotton Socks, 3 to	8 8	Travelling Writing Cases fitted	11 8
Warm do ..... to	15 8	Gents' Bags, fitted complete	72 0
Ladies' Under Vests 4-8 to	6 0	Ladies' Carriage Bags, fitted complete	58 8
Ladies White cotton Hose doz ..... to	13 8	Gents' Dressing Cases...	11 8
Ladies' Heather Merino Hose doz	9 0	Solid Leather do	50 0
Children's White Cotton Socks, from doz., 6-8 to	12 8	Cases, complete .. 25 to	30 0
Heather Merino do. 6-8 to	12 8	Soiled Linen Bags, all sizes	5 to 6 0
Ladies' Sun and Travelling Hats, from	5 to 6 0	Courier Bags ..... 9-8 to	12 8
		Money Belts ..... 5-8 to	6 8
		Despatch Cases	11 4
		Tiffin Baskets fitted, 16 to	22 8
		Air Pillows	5 0
		Travelling do	1 8
		English Feather do	7 8
		Air Beds, Horse Hair do.	7 8
		Folding Camp Bedsteads	32 8
		Cork Mattresses	19 8
		Cotton do	15 0
		Rug Straps ..... 1-8 to	2 8
		Waterproof Coats	10 0
		6-4 inch Twill Waterproof Sheeting	6 0
		42-inch White Waterproof	4 8
		Linen Faced Collars doz.	7 0
		Linen Faced Cuffs per doz.	1 8
		Linen Cuffs per doz.....	13 8
		Linen Collars ..... doz.	6 0
		Cambric Handkerchiefs,	5 8
		Warm Gloves	1 6
		Children's Gloves	1 0
		Mitts	1 8
		Mufflers	2 12
		Braces	1 8
		Sailors' Knot ..... 1-8 to	3 0
		Winders for Bow or Sling ..... 1-8 to	4 0
		Gents' Canvas Shoes.....	2 12
		Gents' Slippers	2 8
		Ladies' Shoes	2 12
		China Bath Slippers	1 8
		Fiders for Travellers covered Wicker, from .. 11	4
		Pocket Filters	2 12
		Air Tight Uniform cases.	22 0
		Sponge Bags	1 8
		Sponges	3 8
		Soap Boxes	1 8
		Shaving Salts, per bottle	2 8
		Aromatic Vinegar per bot	2 0
		Tooth Brush Cases	0 10
		Do. Brushes	0 10
		Nail Do	0 12
		Hair Brushes and Combs in Pigskin ca. 9-8 to	12 8
		Razors, Ivory Handles ..	3 2
		Do. Surgeons ..... 3-8 to	4 0
		Nail Scissors ..... 1-8 to	1 8
		Briar Root Pipes	1 12
		Tobacco Pouches	1 8
		Chamois ne Tops	8 8
		Pocket Knives	2 8
		Marine Soap, 3 cakes for	0 12
		Shaving do Stick	1 0
		Lloyd's Eau sia	1 4
		Lloyd's Tooth Paste	1 4
		Fragrant Florelline.....	1 8
		Lounging Labe's, per doz.	0 12
		Lloyd's Life-Saving apparatus	12 8
		Overland Chairs best Beach ..... 8-8 to	12 8

A LARGE ASSORTMENT OF TRICHINOPOLY JEWELLERY.

BADHAM & CO.

ICE! ICE!! ICE!!!
TO REGIMENTAL MESSES, CLUBS, HOSPITALS, HOTELS, &c.
CARRE'S IMPROVED ICE MACHINE
WITH THE NEW CONGELATOR FOR PRODUCING BLOCK ICE
TO BE HAD ONLY FROM
S. Rose & Co., Bombay.

The only Machine suitable for Domestic use; Cheap, Clean, and easy to work; always ready for use and never gets out of order. Full particulars of the *New Congelator* can be had on application to S. Rose & Co.

SPECIAL NOTICE.

S. ROSE & Co.'s apparatus for cooling Wines or Beer with the aid of the Pneumatic Ice Machine and without contact of Ice with the wine, is an entirely new adaptation. Rs. 25 each.

The introduction of Ice or S. Rose & Co.'s apparatus is acknowledged to have supplied a perfect method for cooling Wines or Beer without any risk of injuring the flavor.

Personal inspection of the new apparatus and its accessories is requested, and full practical instructions for using the Machine will be given to the Servants of purchasers.

The mode of producing Ice is by means of a Pneumatic Machine, the air in the Decanter or Vase is exhausted by the action of the air-pump and the moisture, arising from rapid evaporation, absorbed by the Sulphuric Acid contained in the Cylinder B, and hence cold in the Decanter or Vase is the result reducing the water to Ice.

An Illustrated Pamphlet, containing full directions for use, accompanies each Machine.

Apparatus for operating on one DECANTER or VASE with NEW CONGELATOR, ACCESSORIES complete.
Do. on Two DECANTERS or VASES with NEW CONGELATOR, ACCESSORIES complete.
Do. do. on Four DECANTER or VASES with NEW CONGELATOR, ACCESSORIES complete.
Messes, Clubs, Traders, &c., supplied at wholesale Rates.

Sulphuric Acid, Oils, Wax, Leather Washers and all the necessary fittings, kept in stock.

For use in Up-country Stations, Messes, Hotels, Hospitals and on Board-ship, these Machines will be found invaluable; and their portability renders them most serviceable for Camp use. Within fifteen minutes the Machine can be fitted together charged with acid, and the water at 85 deg. Fahrenheit can be reduced to freezing point.

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BOMBAY.

CUTLER, PALMER & CO.,

BOMBAY PRICE LIST—(INCLUDING DUTY AND TOWN DUES.)

The amount of Duty and Dues on Wines, Spirits, Cordials, &c., at per case of one doz. qts. or two doz. pints is as follows:—

On Clarets and Burgundies, Rs. 2; German Still Wines, Sherries, and Ports Rs. 3; Sparkling Wines, Rs. 5; Spirits and Cordials, Rs. 8. Town Dues, As 8 per case.

These Cash Charges we cover in our Prices by general request, but include no Profit on the Advance, nor can we take Discount off duty and dues.

BOMBAY HOUSE:—DEAN LANE, BOMBAY.
LONDON OFFICES:—5, ADELPHI TERRACE W.C., AND 44, MARK LANE, CITY, E.C.
CALCUTTA HOUSE:—10, HARE STREET, CALCUTTA | BORDEAUX HOUSE:—PLACE DU CHAMP DE MARS.

PATRONS.
H. M. THE QUEEN, EMPRESS OF INDIA.

THE ADMIRALTY,
OWNERS OF INDIA, CHINA AND AUSTRALIAN S.S. LINES,
THE P. & O. Co., AND THE B. I. S. N. Co. FOR SOME OF THEIR SHIPS.
Fifty Regimental Messes, and the undermentioned Club Houses, &c. &c.

THE BOMBAY.	THE ATHENÆUM.	THE CAWNPORE.	THE TIRHOOT PLANTERS.
THE REFORM.	THE HIMALAYA.	THE SIRHIND.	THE WESTERN INDIA
THE WINDHAM.	THE NYNEE TAL.	THE TUTICORIN.	

ESTABLISHED IN BORDEAUX AND LONDON IN 1815 AND IN INDIA IN 1842.

MEMO OF TERMS.
An Order for Three Cases, accompanied by Cash, carries 10 per Cent. Discount off BOND VALUE
Three months' Credit, without Discount to approved Buyers.
Special Terms to Messes, Clubs, and Co-operative Societies.
Single dozen Orders subject to 5 per Cent. for Cash off Bond Value

N. B.—Forwarding Charges we add to our rates. We guarantees each case to contain its full complement of bottles when dispatched, and agree to take back or exchange any Wine that may not be approved of on arrival but not afterwards.

☞ *N.B.—Mofussil constituents are requested, before taking delivery of their Goods, to see that the weight agrees with the Railway receipt.*

LOCAL AGENTS.
Mr. JAMES PEARSE, 22, Apollo Street, Fort.
Mr. EDULJEE PALLONJEE, Bora Bazaar Street and Mr. JAMSETJEE NOWROJEE, Poydoni.

BORDEAUX—Red.

CASH. Per 1 dozen Quarts and 2 dozen Pints. Duties Paid. Qts. Rs. A.	Pts. Rs. A.		CREDIT. Per 1 dozen Quarts and 2 dozen Pints. Duties Paid. Qts. Rs. A.	Pts. Rs. A.
31 0	33 0	CHATEAU LAFITE or MOUTON	34 8	...
26 4	28 4	,, RAUZAN ..... (After Dinner)	27 8	29 8
23 8	25 8	,, PALMER ..... (Wines)	24 8	26 8
20 8	22 8	,, LAROSE	21 8	23 8
17 12	19 12	,, ST. JULIET ..... (Dinner Wines)	18 8	20 8
15 12	17 12	,, CANTENAC	16 8	18 8
14 0	15 12	ST. ESTEPHE, a favourite	14 8	16 8
11 8	13 8	PETIT MEDOC, excellent for Cup	12 0	14 0
11 0	...	PAUILLAC	11 8	...

CASH. 46 Gals. Hdhs. Rs. A.			CREDIT. 46 Gals. Hdhs. Rs. A.
252 0	ST. JULIEN		273 8
216 0	CANTENAC		233 8
18 0	ST. ESTEPHE		193 8
147 8	MEDOC		157 8

Of these we keep no stock, but can import for special order.

CLARET IN WOOD.

WHITE.

Qts. Rs. A.	Pts. Rs. A.		Qts. Rs. A.	Pts. Rs. A.
22 8	24 8	HAUT SAUTERNES, delicate flavor, Red	23 8	25 8
17 12	19 12	SAUTERNE (Barsac) light, white cap	18 8	20 8

BURGUNDY—Red.

Qts. Rs. A.	Pts. Rs. A.		Qts. Rs. A.	Pts. Rs. A.
31 0	33 0	CHAMBERTIN, the *elite* of Burgundies	33 8	34 8
25 8	27 4	NUITS or CORTON, high class Wine	26 8	28 8
21 8	23 8	VOLNAY, strongly recommended	22 8	24 0
17 12	...	BEAUNE, soft delicate flavor	18 8	...
37 12	...	SPARKLING Red Burgundy	39 8	...

WHITE.

Qts. Rs. A.	Pts. Rs. A.		Qts. Rs. A.	Pts. Rs. A.
25 12	27 4	CHABLIS, La Moutonne, fine White	26 8	28 8
16 12	18 12	CHABLIS, light, pleasant Wine	17 8	19 8

SHERRIES.
We call especial attention to these—

Per doz Qts. Rs. A.		Per doz Qts. Rs. A.
36 12	AMONTILLADO A 1. rare old ..... gold seal	38 8
35 0	AMONTILLADO, choice and superior ..... black seal	36 8
26 4	MONTILLA, extra pale and very dry ..... black seal	27 8
27 4	AMOROSO, full flavoured soft pale ..... black seal	28 8
24 8	VINO SECO, very pale, dry ..... blue seal	25 8
23 8	OLOROSO, nut y and dry ..... green seal	24 8
21 8	MANZANILLA ..... red seal	22 8
20 12	PALE, dry medium ..... yellow seal	21 8
19 12	VINO DE PASTE remarkably pale and very dry ..... pink seal	20 8
16 12	A GOOD DINNER WINE ..... white seal	17 8
16 12	MARSALA VIRGIN, pale, fine flavour ..... yellow seal	17 8
33 12	MADEIRA, E. I., very superior ..... black seal	37 8
33 0	MADEIRA, Excellent Wine ..... red seal	34 8

SHERRIES IN WOOD AND JARS.

| 4 Gals. per Jar. Rs. A. | 13½ Gals. Octaves. Rs. A. | 27 Gals. Quarter Cask.